

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

Thursday May 12 1988

D 8523 A

Alarm bells ring in banking halls of Madrid, Page 14

America	242.22	Indonesia	823.00	Portugal	242.22
Belgium	242.22	Israel	823.00	S.Africa	242.22
Canada	242.22	Italy	823.00	Spain	242.22
France	242.22	Japan	823.00	Switzerland	242.22
Germany	242.22	South Africa	823.00	Taiwan	242.22
Greece	242.22	UK	823.00	USA	242.22
India	242.22	West Germany	823.00		

No. 30,536

World News

Steel likely to quit as leader of UK Democrats

David Steel is expected to announce today that he is stepping down as joint leader of the Social and Liberal Democrats and that he will not stand in the party's July leadership contest. Page 7

Cuban troop offer

Cuba confirmed it was prepared to shorten the proposed four-year timetable for the withdrawal of its 40,000 troops from Angola. Page 4

Unions vow ferry action

Leaders of French and Belgian unions vowed to stage joint action against cross-Channel ferry operators in support of striking British crews. Page 3; Page 7

Chernobyl offer

The Soviet Union offered to share information about the medical consequences of the Chernobyl nuclear disaster with scientists around the world. Page 2; Villagers return. Page 3

Guatemala coup bid

The Christian Democrat Government of President Vinicio Cerdeno in Guatemala was reported to have crushed a brief military rebellion. Page 4

Sarney corruption row

Eleven Brazilian senators said they would subpoena President Jose Sarney to force him to testify before Congress in an increasingly bitter row over government corruption. Page 5

Pakistan bombing raid

Pakistan said 30 Afghan jets bombed a border area in the North West Frontier Province Monday. Page 6

Contra threat

A power struggle among leaders of the Nicaraguan Contra rebels threatened to split the movement, create complications for Honduras where the rebel bases were sited and delay peace talks with the Sandinistas. Page 4

Satellite 'stable'

The US Space Command said a Soviet satellite launched last December appeared to be in a stable orbit, casting doubts on reports that it was out of control and could crash within months. Page 1

Spanish shipyard demo

Spanish shipyard workers set fire to three railway carriages and a bus to press demands for management to reopen a yard it closed because of violence. Page 1

Blacks threaten Shell

A leader of South Africa's mine workers' union warned the Anglo-Dutch Shell oil group that it would become a target of anti-apartheid action unless it withdrew its assets from the republic. Page 1

Golden Temple clash

Indian paramilitary police fought a gun battle with Sikh separatists barricaded inside the Golden Temple in Amritsar, killing three people. Page 1

Cyprus car bomb

Three people were killed and 19 injured when a car bomb, apparently aimed at the Israeli embassy, exploded in Nicosia. Page 4

Philippines protest

Thousands of demonstrators marched through Manila demanding that former President Ferdinand Marcos be allowed to return home from exile in the US. Page 1

Anti-Islam march

Opposition demonstrators burned buses and cars in Dhaka, Bangladesh, during a protest march against a government bill making Islam the state religion. Page 1

Sausage plea

Two million West Germans signed a petition calling on the EC to impose Bonn's standards on sausages. Page 1

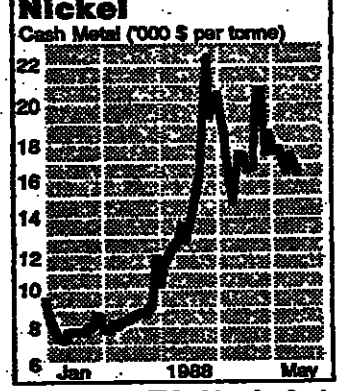
Business Summary

Equiticorp to move operational base to HK

EQUITICORP HOLDINGS, prominent New Zealand investment company, is moving its corporate registration to the UK and will operate out of Hong Kong with a regional base in Sydney. The move is in apparent distinction with the thin local capital markets and the threat of unfavourable changes in New Zealand's tax structure. Page 15

CANADIAN PACIFIC, transport, resources and industrial conglomerate, is buying voting control of Ontario-based Laidlaw Transportation, large North American school bus, trucking and waste management services group, for almost C\$500m (US\$406m). Page 15

NICKEL: Nickel prices on the London Metal Exchange continued to slide from recent highs, as dealers explained that the



market was still looking for fresh incentives. The cash price closed \$400 down at \$18,300 a tonne - the lowest level for about four weeks. Page 26

WALL STREET: The Dow Jones Industrial average closed 37.80 down at 1955.85. Page 26

TOKYO: Fears of higher interest rates hit the Japanese bond market, sparking a wave of selling and driving share prices sharply lower. The Nikkei average lost 251.2 to 27,165.05. Page 28

LONDON: The comments of Nigel Lawson, UK Chancellor of the Exchequer, on international interest rates prompted a sharp fall. A drop in Tokyo and early losses on Wall Street contributed to the negative mood. The FT-SE 100 index lost 35.8 to 1,758.4. Page 24

DOLLAR closed in New York at DM1.8225; Y124.45; SF1.3995; and FF1.7010. It closed in London at DM1.8275; Y124.45; SF1.3995; and FF1.7010 (unchanged). Page 27

STERLING closed in New York at \$1.8870; it closed in London at \$1.8870 (\$1.8870); DM3.1850 (DM3.1875); Y234.50 (Y234.25); SF2.83 (SF2.8250); and FF10.7375 (FF10.7075). Page 27

STERLING DRUG, US pharmaceuticals company recently acquired by Eastman Kodak, the world's largest producer of photographic products, has divested from South Africa. Page 17

ZANUSSI, leading Italian home appliance maker controlled by Electrolux of Sweden, world's leading white goods manufacturer, unveiled a nearly trebled 1987 group net profit of 187.6bn (78.1m). Page 16

ELDERS IXL, Australian group which owns Courage, UK brewer, has put its 5,000 Courage public houses into a joint venture company in which it and Henson Conway, Australian property group, have each taken a 50 per cent interest. Page 15

F.W. WOOLWORTH, once-dowdy US retailer which has enjoyed a five-year improvement in its fortunes, reported a 21 per cent increase in its net income for the first quarter ended April. Page 15

NOVO, enzymes and pharmaceuticals manufacturer, staged a first quarter recovery, with net earnings increasing from DRK122m last year to DRK161m (84.5m). Page 16

AMERICAN Medical International, Beverly Hills-based hospital management company, said it would sell off 57 less profitable hospitals to employees for \$810m in cash and securities. Page 15

US banks lift prime rates as interest fears hit equities

BY JANET BUSH IN NEW YORK AND SIMON HOLBERTON IN LONDON

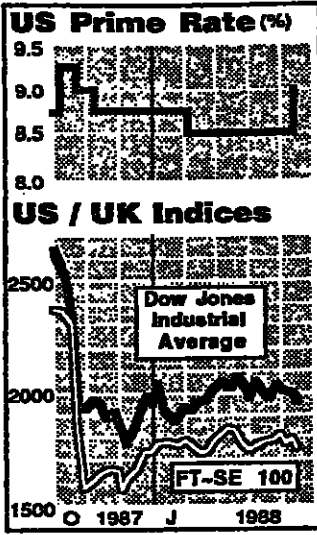
PRIME RATES were raised to 9 per cent from 8.5 per cent by leading US banks yesterday as world stock markets plunged on fears of increasing interest rates worldwide.

The increase in the key lending rate had been widely expected after confirmation on Tuesday by Mr Beryl Sprinkel, the White House economist, that the Federal Reserve Board, the US central bank, had tightened monetary policy in response to robust economic growth and fears of higher inflation.

Concern about a general rise in interest rates sent share prices lower all round yesterday after Mr Nigel Lawson, the UK Chancellor of the Exchequer, was reported as saying there could be a co-ordinated round of increases among the major industrial countries if the Fed tightened its monetary stance to check US inflation.

The prime rate rise, led by Chase Manhattan, prompted speculation that the Fed might consider raising its key discount rate which has stood at 6 per cent since September 4. However, it may be reluctant to raise this rate because the previous rise last autumn was widely cited as one of the triggers of October's stock market crash and focused intense political criticism on the Fed.

In Tokyo share and bond prices were marked lower. In Europe, despite the UK Treasury's insistence that Mr Lawson had been



quoted out of context, share prices also fell. The decline in London was the largest in one session since March 24. By the close of trading the FT-SE 100 Share Index was 35.8 lower at 1,758.4 and the FT Ordinary share index was 29.4 down at 1,406.4.

Later, on Wall Street, a wave of selling hit share prices as the market opened. However, the Dow Jones industrial average recovered slightly from a drop of more than 40 points to close 37.8 points lower at 1,955.85. Confidence in both US bond and equity markets is at a low ebb and there has been increasing

concern about the stability of the market.

In London, the Treasury said that the Chancellor's reference to interest rates had been part of a qualified answer to a hypothetical question. A spokesman said Mr Lawson was not making a prediction. A Downing Street spokesman said Mr Lawson had been "seriously misrepresented".

The Chancellor has in the past refused to answer hypothetical questions concerning market sensitive issues. Financial analysts were surprised that he responded on this occasion, especially considering that the US Treasury is currently engaged in a quarterly debt refunding.

The reaction to his comments, however, underlined the vulnerability of world stock markets, especially London and New York. Although economic conditions are now different from October last year, share traders remember that the generalised rise in interest rates in the late summer and early autumn of 1987 was among the causes of the October collapse.

The London market has been supported over recent weeks by a series of takeovers and bid speculation, but technical trading earlier in the week suggested it was due for a downward correction. City institutions and pension funds have been prepared to trade in bid stocks but they have not been active buyers of company shares for long-term investment. Continued on Page 14

Gorbachev shies away from attacks on critics

By Our Foreign Staff

SOVIET leader Mikhail Gorbachev has distanced himself from the strongest of the recent attacks made on the conservative critics of his reforms, following two months of public battling in the press between the country's conservative and progressive factions.

However, it remained unclear yesterday whether his moderation reflected caution in the face of strong resistance or confidence that he no longer had to fear his critics' strength.

During the wide-ranging speech that he delivered to leading newspaper editors on Saturday, but which was only made public late on Tuesday, Mr Gorbachev spoke of tensions emerging as his perestroika reforms entered a second "very difficult" phase. But he pointedly drew back from repeating the strongest criticisms on conservatives, attacks which are widely assumed to have been orchestrated by his closest aides. "He papered over the confrontation with the conservatives," a Western diplomat said yesterday.

Nevertheless, the Soviet leader made clear that there had been high-level turmoil inside the ruling Communist Party and appealed for support of his policies. There are less than two months before a conference of the party will examine the future of his programme.

He said: "We found veritable confusion in the minds of many people." However, he then assured the press propagandists at the meeting that his programme would not mean a change in Communist Party control.

He appealed for the selection of delegates to the June conference who would be strong backers of reform. He noted that the previous policy of selecting delegates according to quotas set largely for propaganda value - such as factory workers, farmers and women - had been abolished for this conference.

"The principle political directive is to elect active supporters of perestroika to go to the conference," Mr Gorbachev said in the speech, which was shown on national television.

The conference, the first such gathering between the normal five-yearly party congresses since 1941, had been urged by Mr Gorbachev in order to accelerate reform. Continued on Page 14

UK may end monopoly on coal mines

BY MAURICE SAMUELSON IN LONDON

THE UK GOVERNMENT may end the monopoly right of state-owned British Coal to mine in Britain as a prelude to privatisation of the coal industry.

The change, which may be put to Parliament in the next two years, would involve transferring from British Coal to the Government the right to licence coal production by private investors.

Mr Michael Spicer, parliamentary under-secretary at the Energy Department, yesterday issued the most emphatic statement to date of the ruling Conservative Party's desire that coal, the "crown jewel" of post-war nationalisation, be restored to private enterprise.

He told a London conference of private coal mining companies that, in the meantime, "we are opening the doors to private capital in the coal industry."

It is understood that legislation, being drafted at the Department of Energy, may review the coal industry's unitary structure, authorise private investment in large-scale new collieries and relax or abolish the limits on the scale of private mines licensed by British Coal.

The Government considers that the momentum towards privatisation and restructuring of the coal industry will intensify as its costs fall and as it comes to terms with the changing nature

The UK Government yesterday confirmed that its £5bn-£7bn (\$9.4bn-\$13.2bn) privatisation of the country's water industry is on schedule. Lord Crikhowell, former Secretary for Wales in the Thatcher Government, has been put in charge of restructuring the 10 regional authorities in time for their sale late next year. Page 7

of a privatised electricity industry, which now takes the bulk of coal output.

Several interim steps would be taken: British Coal would shortly announce ways of making its licensing policy on small mines more flexible and transparent; The law might be changed to alter or abolish the rule which limits to 30 the number of men permitted to work in licensed deep mines. That figure compares with 300 in the smallest of British Coal's mines.

Guidelines would be announced next week for granting planning consent to open cast mines licensed by British Coal. Mr Spicer stressed the "profound implications" for British Coal of the privatisation of electricity, which would free power stations to buy their fuel on the world market.

Soviet double agent Kim Philby dies

By Our Foreign Staff

KIM PHILBY, who infiltrated the British diplomatic service to become a key figure in a Soviet spy ring, has died in Moscow at the age of 76.

The British Foreign Office said last night that the Soviet Embassy in London had informed Britain that Mr Philby died yesterday but had given no details.

The Cambridge-educated diplomat, who cultivated a conservative and profoundly British image, spent the last 25 years in self-imposed exile in the Soviet Union, after defecting there in 1951.

He was regarded as the "third man" in a spy ring involving the diplomats Mr Guy Burgess and Mr Donald Maclean. He is said to have tipped the other two off that they were under suspicion, giving them time to defect to the Soviet Union.

The three men, part of a spy network which arose out of their association as Cambridge undergraduates, are thought to have provided the Russians with a mass of information on British and US policy at the height of the Cold War.

Mr Philby, head of the anti-Soviet operations department of Britain's MI6 intelligence service during the 1940s, was accused of betraying numerous British agents.

Mr Maclean and Mr Burgess were also recruited about the same time by Soviet intelligence.

But Mr Philby, in his recent interview with the Sunday Times, denied they were part of a KGB secret service cell recruited by a Cambridge academic. He said he decided to become a communist on his last day at university in 1953.

Rocard delayed in search for 'balanced' government

By Ian Davidson and Paul Betts in Paris

Mr Michel Rocard, France's new socialist Prime Minister, appeared yesterday to have run into unexpected difficulties in forming his government.

He had been expected to announce the composition of the government last night, but yesterday evening the Elysees said the announcement would be held over until today.

Mr Rocard held prolonged consultations throughout the day with President Francois Mitterrand and other leading political figures.

The delay seemed to imply that Mr Rocard was having difficulty striking the right balance between the ambitions of leading figures in the Socialist Party and the need to find room for neo-socialists as a symbol of President Mitterrand's desire to broaden his political base.

The delay in the formation of the new government also appeared to be directly connected with an unexpected contest for the leadership of the Socialist

Party machine, in succession to Mr Lionel Jospin, First Secretary of the party.

Mr Jospin, First Secretary since 1981, gave notice earlier today that he would resign after the presidential election. In exchange, it was expected he would be given a place in the new government.

Mr Laurent Fabius, former socialist Prime Minister, and one of Mr Mitterrand's proteges, appeared until recently to be the unopposed candidate to succeed Mr Jospin.

Yesterday, however, it emerged that he was being challenged by Mr Pierre Mauroy, his predecessor as Prime Minister at the start of President Mitterrand's first term.

Mr Mauroy symbolises the traditional left-wing of the Socialist Party and presided over the nationalisations and interventionist socialist policies of 1981-82.

By contrast, Mr Fabius has long been one of the party's leading

social democratic figures, who have sought to move the party towards the centre. By the same token, he is also an implacable rival of Mr Rocard; the two men are understood to have poor personal relations.

The executive committee of the party is to meet on Saturday to settle the contest and appoint the new First Secretary.

Despite the delay in forming the new government, it seems clear from yesterday's events that Mr Pierre Bergeyrou, former French Finance Minister and manager of President Mitterrand's re-election campaign, will have a leading role in it.

Mr Rocard in the morning, and was present during Mr Rocard's extended meeting with President Mitterrand in the afternoon.

It is thought that Mr Bergeyrou will return to the Finance Ministry, where in 1984-85 he launched the first steps of the liberalisation of the economy and the deregulation of the financial markets.

Poles smooth way to reforms

By Christopher Bobinski in Warsaw

THE POLISH parliament yesterday approved special powers for the Government designed to smooth implementation of economic reforms and control inflation which is officially expected to reach 53 per cent.

The powers to remain in force until the end of the year, allow the Government to override individual company autonomy and order spending and labour cuts, as well as mergers and the division of companies and speeding-up of bankruptcies.

It was also able to impose a price and wage freeze, although Mr Zdzislaw Messner, the Prime Minister, told Parliament this was not being considered at present.

The Government has also backed away from an overall ban on strikes and left the official unions with the right to protest

and strike against decisions taken under the special powers but only with the backing of the national union leadership.

The powers came a day after the end of the strike at the Lenin shipyard in Gdansk where about 1,000 workers had for nine days unsuccessfully demanded the legalisation of Solidarity, the banned trade union.

Mr Lech Walesa, who led strikers out of the yard, said that the protest had failed because his movement had not been ready.

Mr Messner also referred to the strike, admitting that the main cause of unrest had been dissatisfaction with living conditions and rising prices.

He sought to allay fears of dismayed economic reformers that the special powers would be used to reverse the progress that has been made in decentralising the

Government's commitment to change.

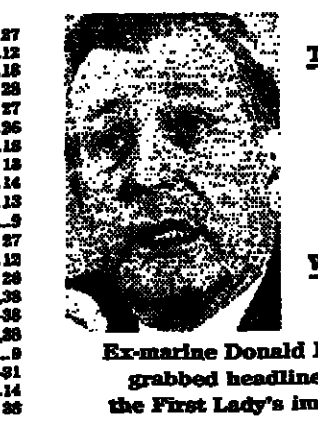
Economic plans for this year were to be modified, cuts in investment spending would be made, and output of consumer goods for the internal market was to be boosted along with increased imports of consumer items, he said.

Mr Messner admitted that there were still differences with the International Monetary Fund on how far to cut internal consumption to achieve balance in external payments.

Reuter adds from Brussels: The European Community's member-states expressed concern yesterday at Poland's latest spate of labour unrest and called for greater openness and democratic reform.

CONTENTS

Europe	2-3	Conviction	27
Companies	15	Industrial comment	28
America	4	Barclays	28
Companies	15	Euro-optics	29
Overseas	4	Financial Futures	26
Companies	17	Gold	26
World Trade	6	Int. Capital Markets	18
Britain	7-8	Letters	18
Companies	20-24	Law	15
Agriculture	26	Management	9
Arts - Reviews	11	Money Markets	27
Commercial Law	11	Observer	13
Competition	28	Rise Appointments	28
Construction	28	Stock markets - Europe	25-28
Energy	28	Wall Street	25-28
Finance	28	London	21-25, 28
Food	28	Technology	29-31
Health	28	Unions	14
Industry	28	Weather	14
International	28	World Index	28



THE MAN WHO BLEW THE WHISTLE ON REAGAN'S WHITE HOUSE
Ex-marine Donald Regan's book grabbed headlines and hurt the First Lady's image, Page 12

Management: Marks and Spencer breaks the mould of Hong Kong retailing	9
Technology: A state school lesson in applying the basics	9
Single-union deals: Electricians ready to break a connection	12
Editorial comment: Priorities for UK schools; Japan's role in world finance	12
Economic Viewpoint: 1992, a first stab at some of the answers	12
Lombard: Canada's fears grow about free trade	13
Lex: Markets, Marks and Spencer; Courage; GrandMet; Thomas Robinson	14
Chicago: Trouble in stores sparks Sears revamp	15



CUTTING A DASH TO PARIS: FROM THE HEART OF LONDON.

London City Airport provides the base for an exclusive partnership. Brymon Airways, an experienced operator of short take-off and landing De Havilland Dash 7 aircraft and Air France, offering the efficiency and convenience of Terminal 2 at Charles de Gaulle Airport where there's the shortest distance between aircraft and exit of any major international airport. The service is called Citydash and we're now operating a new improved schedule to Paris. Citydash completes the picture for Air France, as we're now the only airline to operate out of all four London airports. Four different ways to cut a dash to Paris.

AIR FRANCE

London City Airport - Paris - London City Airport	Paris - London City Airport
0700 Mon-Fri	0800 Mon-Sat
0900 Mon-Sat	1000 Mon-Fri
1100 Mon-Fri	1200 Mon-Fri
1300 Mon-Fri	1400 Mon-Fri
1500 Mon-Fri	1600 Mon-Fri
1700 Mon-Fri	1800 Mon-Fri
1900 Mon-Fri	2000 Mon-Fri
15:40 Sun	15:00 Sun
19:00 Sun	18:20 Sun

For direct flights from London City Airport to Charles de Gaulle Terminal 2, call Air France on 01-499 9511, or Brymon Airways on Linkline (0345) 717383.

EUROPEAN NEWS

Surprise choice in search for Danish coalition

BY HILARY BARNES IN COPENHAGEN

THE SPEAKER of the Danish Parliament, Mr Svend Jakobsen, a Social Democrat, was yesterday unexpectedly appointed to lead negotiations on finding a basis for a new Government following Tuesday's indecisive general election.

US-Soviet optimism on INF verification

BY WILLIAM DULLFORCE IN GENEVA

US AND SOVIET arms experts yesterday set about resolving last-minute difficulties blocking ratification of the Intermediate-Range Nuclear Forces (INF) treaty before the superpower summit meeting in Moscow on May 29.

UK station expected to monitor Soviet N-tests

BY DAVID WHITE, DEFENCE CORRESPONDENT

AN AGREEMENT for an independent British seismic station to be set up in the Soviet Union to monitor nuclear tests is expected to be concluded during a visit to Moscow by three UK experts starting today.

Sweden in legal steps over Bofors 'smugglers'

A SWEDISH prosecutor said yesterday that he had taken the first formal legal steps against five employees of arms maker AB Bofors, suspected of smuggling high-technology weapons to the Middle East, Reuters reports from Stockholm.

David Marsh, recently in East Berlin, reports on the departure of Isaac Neuman

Rabbi's return upsets E Germany

MR ISAAC NEUMAN, the 65-year-old American who has been rabbi to the Jewish community of East Berlin for eight stormy months, says his family and friends told him he was crazy to take on the job last September.

Moscow to share health data from Chernobyl

THE SOVIET UNION yesterday offered to share information about the medical consequences of the Chernobyl nuclear disaster with scientists around the world, Reuters reports from Kiev.

Table with 4 columns: Party, Seats, Percentage, Previous Election. Rows include Conservatives, Liberals, Centre Democrats, Christian People's Party, Progress Party, Radical Liberals, Social Democrats, Socialist People's Party, Common Cause, Others, Greenland-Faroes, and TOTAL.



A DEDICATION TO DELIVER.

What is a bank? The question seems obvious but the answer proves more complex. After you have described what a bank does, you have still to explain what a bank is.



Table titled 'YAPI KREDI FINANCIAL HIGHLIGHTS TL (BILLION)' with columns for Total Assets, Total Deposits, Total Loans, Total Revenues, Shareholders' Equity, Net Profit, Marketable Securities Turnover, and International Turnover. Data is provided for 1986 and 1987.

* Yapi-Kredi is a member of the Yapi-Kredi Group in Turkey in the capital markets where some 60 banks and other financial institutions are active. Yapi-Kredi's share in capital markets is 15 percent.

Handwritten signature or scribble at the bottom of the page.

Defiant villagers return to Chernobyl

By Quentin Peel in Kiev

UP TO 4,000 people are believed to have returned illegally to the area surrounding the Chernobyl power station, evacuated in the wake of the nuclear disaster which left the zone heavily contaminated by radiation, according to Soviet officials.

At the same time thousands more suffer from what Soviet doctors call radiophobia - or an exaggerated fear of the dangers of radiation sickness from the nuclear fallout.

The problems were spelt out yesterday at an international conference of physicians and scientists discussing the medical consequences of the world's worst nuclear disaster, which left 31 dead and 200 suffering from acute radiation sickness two years ago.

The authorities are struggling to cope with the conflict between what they see as excessive optimism on the part of villagers who were forced to abandon their homes and land, and excessive fears from the wider population of marginally affected areas.

Some 20 villages with an average population of 200 have now been reoccupied in the 30 km exclusion zone, a senior official said, in spite of roadblocks to stop them, and a complete lack of public services. "People come back because they have lost their fears," he said.

Earlier Mr Leonid Ilyin, director of the Institute of Biophysics at the Soviet Health Ministry, said it could be as long as 10 years before the area around Chernobyl was at a uniformly acceptable level of radiation.

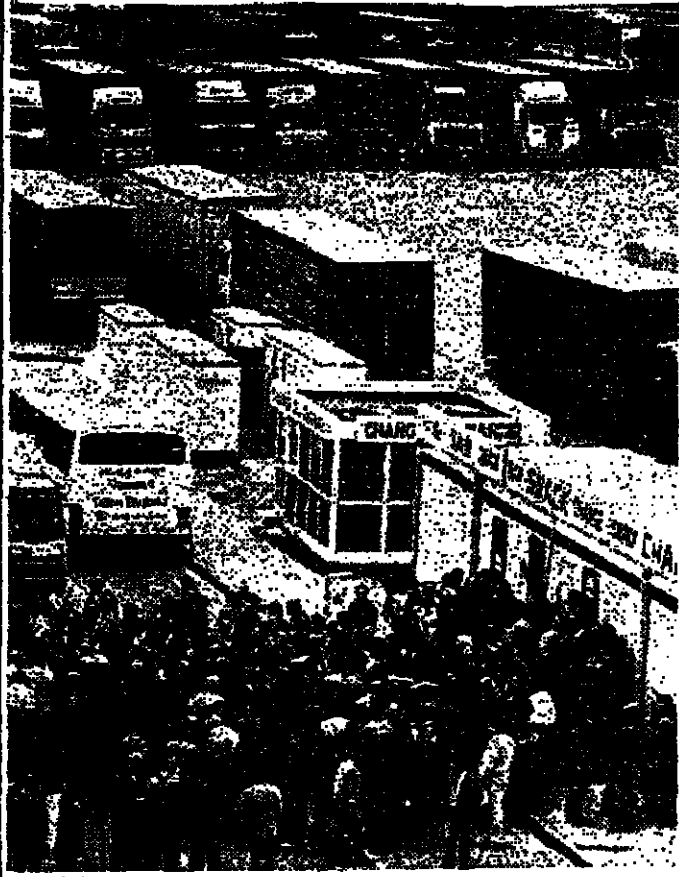
Contamination was patchy, he said, surviving in forest areas in fallen leaves, even when the villages and farm land had been decontaminated.

Mr Alexander Kondrusev, the Deputy Minister of Health, warned of the opposite problem of radiophobia in the wider population as a real problem which had complicated the recovery process.

Mr Oles Pyatak, deputy director of the All-Union Centre for Research into Radiation Medicine, said the condition was a neurotic state, shown in a development of tension, an unwillingness to have children, and clinical symptoms such as gastro-intestinal disorders.

The Soviet specialists are clearly still torn about how openly to debate the consequences of the disaster. Mr Yevgeny Chasov, the Health Minister who opened the conference, said they had "no grounds to conceal anything about this accident".

However, they clearly believe that steps short of speculation on any long-term effects, such as an increasing incidence of cancer. Asked to comment on the possibility, Mr Lev Budakov, deputy director of the Institute of Biophysics, said it was pointless, because nobody had been exposed to a level of radiation outside the power station enough to cause a cancer.



Lorry drivers in Calais: "We are fed up with being treated as second class citizens."

LORRY DRIVERS blockading the ferry port of Calais yesterday voted to accept an improved offer from the management of the Sealink ferry company to give them more places on cross-Channel sailings.

But although the dispute which had temporarily prevented all but foot passengers from crossing the Channel seemed to be dying down, the resentment of the drivers lingers on.

"We are fed up being treated as second class citizens," commented one driver in Calais yesterday.

"What do they call us? Juggernauts. Nobody wants us parked down the street or making a noise, but they yell if they don't get their cornflakes in the shops," complains Mr John Dodge, an owner-driver from Plaisantow.

Their anger has been slowly building up over the past 14 weeks, as the drawn-out strike at the P&O ferry line first reduced the number of boats serving the cross-Channel traffic, and then spread to hit the other main service, Sealink.

On Sunday the irritation boiled over. Freight drivers watched angrily as tourist coaches were waved ahead of them on to the ferries, and hit out when Sealink's brand new all-freight vessel Nord-Pas de Calais shifted back to its usual port of Dunkirk, instead of continuing to transport lorries from the main port of Calais.

The blockade spread to Dunkirk, Boulogne and for a short while even further down the coast to Dieppe in Normandy. The Dieppe blockade was lifted early yesterday morning.

Down among the juggernauts, George Graham finds drivers resentful at always being pushed to the end of the queue

But up to 1,000 vehicles have arrived inside the Calais ferry terminal and scattered around the town, and the backlog will take some time to clear, even when a solution is agreed.

"In winter we cannot do a thing wrong, we might own the place. Then around this time of year, as the tourist traffic builds up approaching Whitsum, everything changes. We become second class citizens," says Mr William Kendall, one of the British drivers involved in the blockade.

"The bone of contention is and always will be the coaches," adds another British driver.

"Most of us come back skint from wherever we have been, so we may possibly buy 200 cigarettes and a bottle of whisky on board. But they would take a coach for free because the passengers are all spending £20 a head in the duty-free," says Mr Dodge.

"French Sealink has mostly done a good job, but they haven't been fair all the time." The increasing delays at the ferry terminals have in many cases doubled the time drivers must spend on each trip. Drivers who used to count on four round trips from the UK to Italy a month can now only manage two or three.

European paging system planned

By Terry Dodsworth

THE EUROPEAN telecommunications industry is taking another step towards cross-frontier integration with agreement on a new paging system to span the UK, France and West Germany.

The Europepage Network, as it is called, will enable subscribers to the system to be contacted using their own pagers while travelling abroad. At present, paging systems work only within national boundaries because of the different transmission standards used in different countries.

Companies involved in the project said yesterday that they expected the network to open in 1989, although there were still some technical details to be sorted out by the authorities. Spain and Italy may also enter the scheme at a later date.

In the UK, a group of six companies have come together to set up a joint network for transmitting signals, which will originally be centered on the London area and major airports. West Germany and France are already beginning to use the radiofrequency adopted for the service in their own national systems.

The Europepage scheme is expected to be only the first step in a much more comprehensive plan to develop a pan-European paging service on higher quality frequencies in the early 1990s.

This follows the pioneering work on standardised European communications networks carried out in the cellular mobile car phone sector, where European governments have committed themselves to launching a common service in three years' time.

Bonn backs limited telecom deregulation

By David Goodhart in Bonn

THE WEST GERMAN cabinet yesterday approved the limited deregulation of the country's telecommunications system despite a last-minute attempt by the unions to block the reforms through the courts. The unions claimed that their right to consultation had not been fully respected, but this was rejected in two separate court decisions.

The reform proposals will now spend six weeks in the upper house of Parliament where the state governments are represented, before moving to the main chamber in September. It is not expected to become law before the middle of next year, a slight slippage on the original timetable.

The two key reforms are the splitting of the Bundespost, the postal and telecomm authority, into three separate businesses - postal, post-bank and telecomm - and the introduction of limited competition with the Bundespost in value-added services. Accompanying the reforms will be a refiging of tariffs, to slightly

reduce the cost of long-distance calls, and a more open procurement policy.

However, it was confirmed yesterday that the draft proposal backed by the cabinet did include various amendments to the plans published in March. The most important concession is that made to the Finance Ministry, which will not now see its revenues from the Bundespost businesses reduced to a level equivalent to company taxation until 1994.

The state governments have also retained a bigger than intended say in the mandatory services that will still be provided by the Bundespost. They will have, in addition, a direct influence in the Postal Ministry.

Mr Christian Schwarz-Schilling, the Post and Telecommunications Minister, said: "With this bill the Government takes account of the EC-wide movement to restructure telecommunications and makes an important contribution to the open market of 1992."

Yugoslavia to extend wage, price freeze

By Aleksandar Lobl in Belgrade and Stephen Fidler in London

A SENIOR Yugoslav minister said yesterday that his government would extend for 10 days a six-month partial wage and price freeze because of a package of foreign loans for the country was not yet ready.

Vice Premier Milos Milosavljevic said foreign loans were crucial to the introduction of a new programme of economic measures, to start on Sunday with the lifting of the freeze introduced in November.

Yugoslavia, with a \$21.6bn of foreign debt and a 170 per cent

inflation rate at the end of last year, is seeking fresh loans of about \$1.4bn from governments, commercial banks and multilateral lending agencies.

The International Monetary Fund has worked on the economic package, which include controls on wages, but a liberalisation of prices, trade and foreign exchange regulations. The Fund is ready to lend a standby credit, provided it is satisfied with the programme, which is likely to face significant opposition inside

Yugoslavia.

The government of Prime Minister Mr Branko Mikulic faces a vote of confidence in parliament on Sunday over its attempt to streamline the federal administration of the economy.

Mr Milosavljevic told the Communist Party Central Committee that the survival of the confidence vote, and a separate ratification of the IMF deal by Parliament, was necessary for the IMF loan agreement, on which the rest of the foreign finance

depends and which it hopes to begin this month.

He was quoted by the Associated Press as saying that the Bank for International Settlements, the Basle-based institution owned by central banks in the main industrial countries, had approved only half of an expected \$500m bridging loan. However, the rest of the bridging finance would be raised in about 10 days in continuing negotiations with European governments and the US.

Hungary party committee must stand for re-election

By David Goodhart in Budapest

THE HUNGARIAN Communist Party's central committee has decided that all its 102 members must stand for re-election at a special party conference this month which some leading party members suggest may end the leadership of the 75-year-old Mr Janos Kadar.

Reuter reports from Budapest. The conference of 800 delegates - one for every 1,000 party members - is expected to vote for major reforms restricting party power and defining expanded powers for parliament, government and other institutions.

The propaganda chief, Mr Janos Berecz, told Hungarian television yesterday, following what he called a stormy debate in the central committee on Tuesday, that it was possible the whole committee and the ruling politburo could be renewed, providing what he termed very broad possibilities.

It had originally been intended that only a section of the central committee should stand for re-election.

Hungary pioneered economic reform in Eastern Europe two decades ago, but it has become bogged down by a soaring balance of payments deficit and foreign debt as well as political differences within the leadership.

The central committee, which met to lay the ground rules for the conference, also decided to form a nominating committee that would exclude the present party leaders.

"We want to establish the personal conditions which make institutional renewal possible," Mr Berecz said.

The establishment of this body, replacing a personnel committee headed by Mr Kadar, was seen as a significant victory for Prime Minister Karoly Grosz.

A draft document for the conference has stimulated thousands of individual calls for a radical and active reform process. A party source said the conference would be the first in recent Hungarian history at which there would be elections not previously arranged.



WE'RE CHANGING THE LANDSCAPE BY CHANGING THE CLIMATE.

The change from decaying inner city to flourishing new development is remarkable.

But behind this dramatic transformation lies an equally striking change in the relationship between the public and private sectors.

Where once there was coolness, distance and a traditional uncertainty, there is now a new spirit of co-operation. People from both sectors are working together in ways which were unthinkable a generation ago.

The winds of change have come from many directions, but none has been more refreshing and powerful than the achievements of Lovell in partnership development.

Having pioneered partnership since the early 70s, Lovell has - more than any other company - steadily adapted and expanded the concept to provide imaginative and effective local solutions.

Not just to the problems of housing but to the wider needs of community balance and economic regeneration.

Working with scores of local authorities on a wide variety of projects around the country, Lovell has won the trust of its public sector partners with novel ideas, fresh perceptions and new inroads into the complex problems of creating living communities.

Today, Lovell is putting this experience to work through a regional network which forms this country's largest ever multi-disciplinary team, committed by a single company exclusively to urban renewal.

We think it's a force for change you'll want to know more about. So call this number now and ask for Peter Rees.



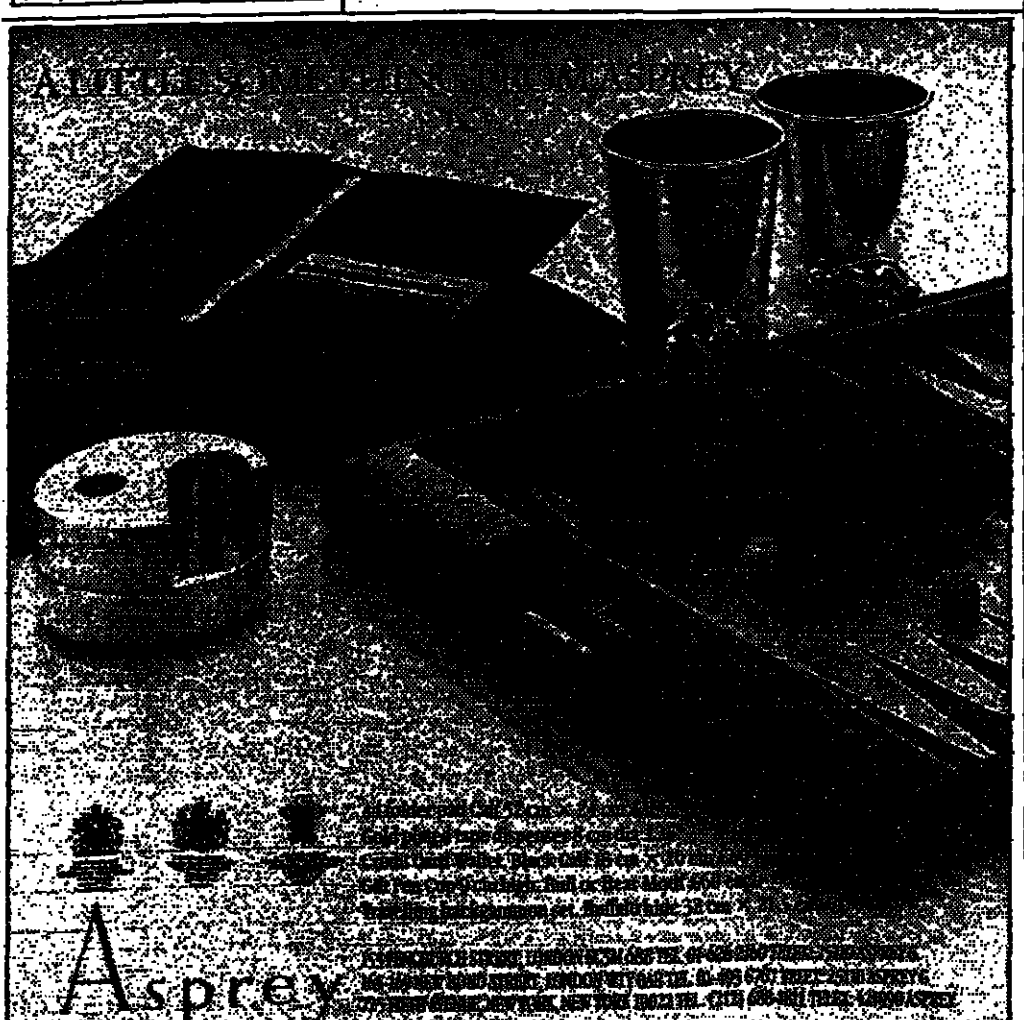
Lovell

LEADERSHIP IN PARTNERSHIP // URBAN RENEWAL

Lovell Partnerships Ltd, Partnership House, Wootton Bassett Road, Swindon SN5 9NW. Tel (0793) 618824. Fax. (0793) 642757.

FINANCIAL TIMES
Published by the Financial Times Group, 100 Brook Street, London W1A 2JY. Registered in England. No. 2630948. Telephone: 01-633 7600. Telex: 940000. Cable: FT. G.P.O. Registered as Second Class Post Office. Postmaster: Please send address changes to FINANCIAL TIMES, 100 Brook Street, New York, NY 10022.

FINANCIAL TIMES, US\$15 No 1988, published daily except Sundays and holidays. US subscription rates \$36.00 per year. Single copies 50c. Published by the Financial Times Group, 100 Brook Street, New York, NY 10022.



Asprey

OVERSEAS NEWS

Sinhalese extremists disavow peace 'deal'

By Mervyn de Silva in Colombo

MR ROHANA Wijeweera, leader of the JVP, the Sri Lanka extremist Sinhalese party... has flatly denied that his party had held any negotiations with the Government.

His party knew nothing of Mr K.C. Senanayake, the man introduced at a press conference by Mr Lalith Athulathmudali, the National Security Minister...

Father Tissa Balasuriya, a well-known Catholic priest, who had been contacted by Mr Senanayake on behalf of the JVP...

Nora Boustany reports on reasons for the recent conflict between Hizbollah and Amal Beirut fighting dulls voices of moderation

THE fratricidal conflict between Shia Muslims in Beirut appeared to be waning again yesterday as a fresh, though probably temporary, truce took hold.

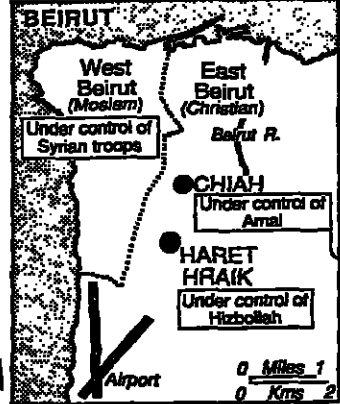
The fighting, in which at least 133 people have been killed and 440 wounded, was triggered off on May 5 as members of Hizbollah began a discreet but determined effort to establish an impregnable stronghold in Beirut's sprawling southern suburbs...

Berri, which is opposed to Iran's growing influence in the sectarian community he himself helped politicise, has fought desperately in the last few days to dislodge Hizbollah, but has lost ground.

Brothers literally took up arms against each other in the alleys and hovels of the southern suburbs in cold-blooded fighting which has shocked even the most war-hardened of Lebanese and intensified the tug-of-war over clan loyalties and political allegiances among Shias.

of the southern suburbs, the area of Chiah, which is close to Syrian Army positions, while Hizbollah has consolidated its hold over Hayy Madat, Haret Hraik, Sir al Abar and Hayy Msharraf.

Hizbollah had every reason for trying to bolster its position now. With presidential elections approaching in Lebanon, the movement inevitably felt left out of a flurry of low-profile Syrian, American and Lebanese diplomatic activity...



A Shiite fighter fires a machine gun in Beirut yesterday

What is more, given Iran's military reverses in the Gulf and the continuing precariousness of Syria's position, both Tehran and Damascus still need one another and will both seek to avoid a confrontation in spite of the strains in Lebanon.

Israeli citizenship is put on trial

THE DEPORTATION order served by Israel on Mr Mubarak Awad, a Jerusalem-born US citizen, has provoked a sharp exchange of messages between the two governments.

Mr George Shultz, the US Secretary of State, dashed off a protest note to Israeli Prime Minister Yitzhak Shamir this week on behalf of the man known to his admirers as "the Palestinian Gentleman".

Mr Awad, an advocate of civil disobedience as the most effective means of fighting the Israeli occupation, is in jail pending the outcome of his appeal against being sent back to the US. This has produced an important test case in the High Court on the precise status of the 135,000 Palestinian residents of Israeli-annexed East Jerusalem.

Andrew Whitley describes the case of a US Palestinian facing deportation

considered as a tourist in his own home. The legal battle which will be fought over the coming weeks could thus have far-reaching implications for tens of thousands of other Palestinians with claims to reside in the city.

The case has also raised afresh the controversial, related topic of "family reunification" and, more generally, the question: who has the right to live in the territory presently controlled by Israel? Mr Shultz is reported to be angry at what he regards as Israel's one-dimensional approach to the question of family reunification.

Dakar election loser is sentenced

SENEGAL'S opposition leader Abdoulaye Wade was given a one-year suspended jail term yesterday on charges of inciting widespread riots after last February's presidential elections.

The opposition says the vote had been rigged and there were widespread riots in Dakar, prompting the Government to impose a state of emergency and an overnight curfew which has since been lifted.

Cuba offers to shorten timetable for withdrawal of troops from Angola

CUBA is prepared to shorten the proposed four-year timetable for the withdrawal of its 40,000 troops from Angola, one of the key issues in efforts currently taking place to bring peace to Angola and independence to Namibia (South West Africa).

This confirmation of what appears to be Cuban flexibility comes shortly before the meeting in Geneva this week between Mr George Shultz, the US Secretary of State, and Mr Eduard Shevardnadze, his Soviet counterpart.

Three die in car bomb attack on Israeli embassy

A BOMB exploded in a car in a busy Nicosia street yesterday, killing the driver and two others, in what appeared to be an attempt to attack the Israeli Embassy, writes Andreas Hadjiyannis in Nicosia.

Police said the driver had tried twice to park outside the embassy but had been turned away. The bomb went off as he hurriedly drove away.

Guatemala leadership 'crushes coup'

THE Christian Democrat Government of President Vicio Cerezo in Guatemala was yesterday reported to have crushed a brief military rebellion, Robert Graham reports.

Amid a series of coup rumours, Reuters quoted a military spokesman as saying "everything is under control". The revolt was said to have occurred on the highway to El Salvador, east of the capital, Guatemala City.

Brazilian land reform lobby suffers setback

BY IVO DAWNAY IN RIO DE JANEIRO

BRAZIL'S advocates of land reform have suffered a severe setback by losing a key vote on the definition of the role of land in the country's new constitution.

The 550-member Constitutional Assembly, nearing completion of the final draft, voted narrowly to throw out a proposal which would allow the compulsory appropriation of property for land reform.

Instead a clause was approved recognising land's "social function," but excluding wording proposed by the reformers to allow confiscation of land deemed not to be adequately fulfilling that function.

World Bank funds request strikes further obstacles

BY NANCY DUNNE IN WASHINGTON

HOUSE DEMOCRATS yesterday responded angrily to criticism by Secretary Baker, the Treasury Secretary, as the Administration's request for funding of the World Bank general capital increase (GCI) sank further into the morass of ideological conflict and partisan politics.

US taxpayer by proposing debt management plans, but that the proposed general capital increase "rankly raises important questions about whether public money is being put at risk in an effort to minimise the risk and the losses suffered by private commercial banks."

Canada may be near decision on submarines

By David Owen in Ottawa

CANADA MAY have to make up its mind in the next few days whether Britain or France is to supply the design for its new fleet of up to 12 nuclear-propelled submarines.

The first indication of which way the decision has gone, however, could well come not from Ottawa but from Washington. If the British Trafalgar-class boat, which is based on US nuclear propulsion technology and requires some US-made fuel, is to defeat its French rival in this lucrative multi-billion dollar contract battle, President Reagan must lay before Congress legislation amending the 1959 US-Canada nuclear co-operation treaty.

The Administration will presumably be reluctant to do this while there is a chance that its action might subsequently be rendered superfluous by a Canadian decision to buy French ones. But if the legislation is not presented before May 20, it would appear that insufficient time remains for its passage before Congress rises in October ahead of the presidential election.

Should legislation be submitted in the next seven to 10 days, therefore, it will be widely interpreted as an indication that the Vickers Trafalgar class vessel is still very much in the hunt. If it is not, the inference will be that the French, unencumbered by such treaty considerations, have the upper hand.

Sarita Kendall assesses the economic and political prospects for the president-elect Borja win eases Ecuador's political tensions

MR RODRIGO BORJA's victory in the Ecuadorian presidential election has produced an immediate calming effect in political and business circles. The currency, the sucre, which had reached 500 to the dollar last week, gained strength rapidly on Monday.

Conciliatory statements from both the outgoing president, Leon Febres Cordero, and Mr Borja - long-time political enemies - promise a much smoother transition on August 10 than expected. And electoral tensions were defused by Mr Abdala Bucaram, the other presidential candidate, who resigned his seat in the January election.

An unofficial count gave Mr Borja 53 per cent of valid ballots. He did surprisingly well in the coastal city of Guayaquil, the Bucaram family's political stronghold, and took all the highland provinces with a margin of nearly 4:1 in the capital.

Looking affable and relaxed after his victory, Mr Borja went out of his way to reassure the business community. But he said that Ecuador was sunk deep in an unprecedented economic and social crisis, drawing a parallel with the reconstruction of post-war Europe.

Guatemala leadership 'crushes coup'

THE Christian Democrat Government of President Vicio Cerezo in Guatemala was yesterday reported to have crushed a brief military rebellion, Robert Graham reports.

Amid a series of coup rumours, Reuters quoted a military spokesman as saying "everything is under control". The revolt was said to have occurred on the highway to El Salvador, east of the capital, Guatemala City.

Mr Borja's mixture of social democracy and economic pragmatism is difficult to reconcile with the communist label applied to him by conservative groups. Although he speaks of a mixed economy and of strengthening the Government's role in economic planning, the president-elect has already confirmed that nationalisations do not figure in his programme.

International companies are less concerned about abrupt changes than local businessmen. A foreign oil manager said he expected Ecuador's exploration contracts to remain in force, particularly as the oil law reforms which introduced service contracts were put through by former President Oswaldo Hurtado's Christian Democrat government.

Ecuador's dependence on oil has made the country dangerously vulnerable in the last two years. First the drop in oil prices, and then the destruction of the trans-Andean oil pipeline by an earthquake sent export income plunging. Ever-increasing volumes of crude have been pumped to try to boost earnings and compensate for the cost of the quake, estimated at about \$1bn.

Contra squabbles threaten peace talks

A POWER struggle among the leaders of the Nicaraguan Contra rebels threatens to split the movement, create serious complications for Honduras, where the rebel rear bases are sited, and hold up peace talks with the Sandinistas.

The struggle centres on the fate of the main Contra military commander, Col Enrique Bermudez, who is opposed to the ceasefire agreed by the rebel leadership on March 23 with the Sandinista Government in Managua.

Robertson backs Bush for presidency

FORMER television evangelist Mr Pat Robertson yesterday endorsed his campaign for the Republican presidential nomination and threw his support behind Vice President Mr George Bush, Reuters reports from Washington.

World Bank funds request strikes further obstacles

HOUSE DEMOCRATS yesterday responded angrily to criticism by Secretary Baker, the Treasury Secretary, as the Administration's request for funding of the World Bank general capital increase (GCI) sank further into the morass of ideological conflict and partisan politics.

Guatemala leadership 'crushes coup'

THE Christian Democrat Government of President Vicio Cerezo in Guatemala was yesterday reported to have crushed a brief military rebellion, Robert Graham reports.

Contra squabbles threaten peace talks

A POWER struggle among the leaders of the Nicaraguan Contra rebels threatens to split the movement, create serious complications for Honduras, where the rebel rear bases are sited, and hold up peace talks with the Sandinistas.

Robertson backs Bush for presidency

FORMER television evangelist Mr Pat Robertson yesterday endorsed his campaign for the Republican presidential nomination and threw his support behind Vice President Mr George Bush, Reuters reports from Washington.



HE STILL COULDN'T GIVE YOU AS MANY STATEMENTS A DAY AS ROYLINE.

Even if he could deliver 150 posts a day he wouldn't keep you as up to date with your accounts as Royline, our desk top banking system.

That's because with Royline, your office P.C. can be linked up to our central computer. So you'll be able to get up to the second information on all your accounts.

Your bank balances need never come as news to you and you'll be able to find out about any transactions the moment they're processed.

As well as giving information, Royline also enables you to make payments at the touch of a button.

You can make CHAPS and normal type payments as well as same day value transfers of any size to any other Royal Bank of Scotland accounts.

And if this isn't enough, Royline also offers cheque reconciliation and transfers to high interest accounts.

Which means that both your staff's time and your money can be used more effectively.

To find out more, send off the coupon. But don't forget, there are **ROYLINE** only two posts a day.

TO: THE ROYAL BANK OF SCOTLAND PLC
FREEPOST ROYLINE PO BOX 31
EDINBURGH EH2 0DG (NO STAMP REQUIRED)
I WOULD LIKE MORE DETAILS
OF DESK TOP BANKING WITH ROYLINE

NAME _____
 TITLE _____
 COMPANY _____
 ADDRESS _____

 POSTCODE _____ TEL _____
 IF AN EXISTING CUSTOMER, WHICH BRANCH? _____


The Royal Bank of Scotland plc

WORLD TRADE NEWS

FAILURE TO AGREE FARM REFORM 'COULD HIT WEST'

US warns on threat to Gatt

BY BRIDGET BLOOM IN MUNICH

FAILURE BY the US and the European Community to agree on ways to reform worldwide agricultural policies could result in the end of the General Agreement on Tariffs and Trade and in "serious damage to Western cohesion", a senior US trade official has warned.



Amstutz momentum

momentum to the Gatt talks. There have been increasing fears that little progress will have been made by the mid-term review of the Uruguay round, due in Montreal in December.

Gatt process and farm reform progress possible in Montreal. But the US envoy's... But several... out that the EC had introduced reforms to the Common Agricultural Policy, whereas the US had only talked about changes it might make to its protectionist policies.

FREE - News on money if you're living abroad.

There's a brand new magazine that's worth its weight in gold. All about money - and how to make the most of it when you live and work abroad.

writers at the very highest level - they know their stuff, and they specialise in all the subjects that interest you: paying less tax, making more money, offshore investments, property.

us. We talk straight, no frills. We'll give you sound advice plus some new ideas you may not have thought of.

The International - Free every month.

You can receive your own copy hot off the presses every month by putting your name and address on the coupon below and sending it off now. That way you'll be among the first to reap the rewards of the very best financial wisdom for people living abroad - free.



Please send me my copy of The International every month. I understand it's FREE. BLOCK CAPITALS PLEASE. Mr/Mrs/Miss, Job Title, Company/Private Address, Country, Nationality, Nature of Business, Signature, Date.

THE International

Please return to Marketing Department, FT Magazines, Greyhound Place, Fetter Lane, London EC4A 3DF, England.

Tokyo, US still in building wrangle

By Ian Rodger

THE Japanese and US governments are still wrangling over the opening of Japan's construction market to foreign contractors.

Japan-UK whisky row looms

BY IAN RODGER IN TOKYO

A FRESH row between Japan and the UK over Scotch whisky may break out later this week when Tokyo finalises plans for reforming its controversial liquor tax system.

Ministry of Finance officials said yesterday they were still studying the shochu problem. Failure to eliminate the gap would fly in the face of the Gatt panel report, which stated that to about 10%.

be politically impossible to eliminate the gap between whisky and shochu taxes. There has been speculation that the government will propose reducing the gap between whisky and shochu taxes to about 10%.

Bonn cool to US attack on credit for Moscow

BY DAVID MARSH IN BONN

US CRITICISM of a proposed DM3.5bn (\$1.2bn) West German bank credit to the Soviet Union received a frosty reception in Bonn yesterday as Moscow stepped up efforts to boost economic collaboration with the Federal Republic.

plays an important role in European space programmes. Mr Kivizinsky has also recently seen Mr Hans Amstutz, the chairman of the aerospace concern Messerschmitt Boelkow Blohm, to discuss possible aerospace co-operation.

US, Japanese chip groups form alliance

By Louise Kehoe in San Francisco

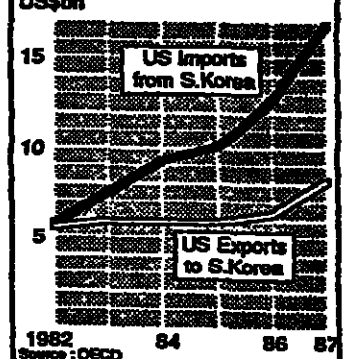
A leading US semiconductor manufacturer alliance was announced yesterday by VLSI Technology of San Jose, California, and Hitachi of Tokyo. The companies have agreed to a long-term technology exchange arrangement as well as providing manufacturing services to each other.

Maggie Ford gives the background to last week's trade talks in Seoul Tempers cool in S Korea-US row

TWO MONTHS ago, riot police were firing tear gas at aggrieved South Korean beef farmers who were hounding our embassy in Seoul.

removal of control of the market from the Korean Monopoly Corporation.

US - S.Korea Trade US\$bn



become so emotionally charged, especially when the market is so small. One US official blamed the local press. "Before the election last year, the press was strongly controlled and a good way of indicating the Government's policy."

Today, the two countries are exchanging kind words, expressing thanks for sincere efforts and claiming considerable progress on trade issues. Few agreements have been reached, but the heat has gone out of the relationship, at least for the present.

The reasons for this are complex, and link internal South Korean politics, the use of propaganda by both sides, and efforts by Seoul to liberalise its markets.

The Government may also have found it convenient to deflect criticism about its former policies on Washington. The result has been a rise in anti-Americanism in the country, which appears to have caused concern to the US Administration.

The US is now stressing a policy of looking at broader issues in a more long-term constructive way, moving the emphasis away from individual emotionally-charged issues.

CRAWFORD'S Directory of City Connections, 1988

Latest update now available listing who advises newly quoted companies on the stockmarket. Annual subscription for Directory and five updates: £165. Phone: Jo Osborne

EVCA in association with The Financial Times

VENTURE SYMPOSIUM '88 London 25, 26 & 27 May 1988. The themes of the symposium will include: Cross-Border Syndication, Product & Process Internationalisation/Technology Transfer, Venture Capital Networks, International Fund Raising, International Buyouts/Buyins, Corporate Venturing, International Exit Markets, International Mergers & Acquisitions.

Have your F.T. hand delivered... every working day. If you work in the business centres of MALMO, STOCKHOLM or GOTHENBURG. Stockholm (08) 235305. And ask AB Stasfit for details. FINANCIAL TIMES

Perhaps the bravest man I ever knew... and now, he cannot bear to turn a corner. EX-SERVICES MENIAL WELFARE SOCIETY. Please send me further details about the Ex-Services Menial Welfare Society.

Stay in touch Who advises newly quoted companies on the stockmarket? Full details are listed in the latest update to CRAWFORD'S Directory of City Connections, 1988. Annual subscription for Directory and five updates: £165. Phone: Jo Osborne

Extel Financial - an obvious choice for Investment Accounting Services. R. MARRISON INVESTMENT ADMINISTRATION LLOYDS BANK. All you ever need to know. London: 01-251 3333 Brussels: 02-219 1607 New York: 212-513 1570

Seamen's union rejects ferry peace initiative

BY JIMMY BURNS, CHARLES HODGSON AND RAYMOND HUGHES

THE National Union of Seamen was yesterday facing renewed pressure from employers after rejecting a peace proposal from Sealink and deciding to continue with its 15 week ferry strike.

Sealink yesterday appeared to abandon its conciliatory attitude towards the NUS by appealing, over the heads of union officials, directly to its 2,300 employees to shun their action in support of seamen sacked by P&O.

The company also indicated that it might follow P&O and withdraw recognition of the NUS by recruiting replacement crews outside the unionised labour supply arrangement known as the Merchant Navy Establishment, which is jointly regulated by the union and UK employers.

The company earlier offered to use its French-crewed cross-Channel passenger ferries to carry freight only in an attempt to have lorry drivers lift their blockade.

But although lorry drivers initially reacted favourably to the offer in Calais and Dunkirk, Sealink was facing a continuing strike by the majority of its British seamen in all the major Brit-

ish ports.

The Government yesterday firmly rejected opposition calls to intervene to try to bring P&O back to the negotiating table and accept binding arbitration in the 14-week old ferry dispute.

Mr Norman Fowler, the Employment Secretary, told a Commons debate on the seamen's dispute that any decision to go to arbitration must remain with the two parties and was not a matter for government.

Hopes of an end to the 15-week ferry strike were dashed in the early hours of yesterday morning when NUS shop stewards refused to call off secondary action. They also held back from agreeing to a peace proposal from Sealink which involved an offer of 450 extra jobs to absorb some of the over 700 seamen sacked by P&O.

Sealink yesterday wrote to its employees setting a deadline of midnight tomorrow for a return to work. The letter from local managers was accompanied by a copy of its proposals.

Meanwhile in the High Court yesterday, the NUS was fined a further £150,000 for its contempt of court in continuing to take

unlawful secondary action against P&O ferry companies.

Mr Justice Michael Davies, who last week ordered sequestration of the union's £2.8m assets and fined it £150,000 in a separate legal action taken by Sealink, said that the new fine should be paid by the sequestrators within seven days.

He warned the union, not represented at the hearing, that larger fines would follow if it persisted in defying the law.

The latest court action against the union had been sought by the P&O subsidiaries, P&O Fleet Management and P&O European Ferries (P&OFE).

Imposing a £75,000 fine in respect of each company, Mr Justice Michael Davies warned that even if the NUS and Sealink reached an agreement, the union would be unlikely to have its assets returned as long as it remained in dispute with other ferry companies.

NUS members employed on North Sea oilrig supply ships, who have been on strike, are expected to be instructed to return to work today by their local officials.

Howe gives warning to Swiss over bid barriers

By Peter Riddell and David Waller

SIR GEOFFREY Howe, the Foreign Secretary, last night intervened in the row over the possible Swiss takeover of Rowntree, the York-based confectioners, by warning Switzerland that it must be ready to allow British companies to make takeover bids there without legal restrictions.

His remarks came as pressure grew on the Government to clarify apparent ambiguities in recent statements on competition policy. This has come from opponents of the possible takeover of the UK's two main chocolate companies, Rowntree and Cadbury Schweppes, by non-European Community groups.

Sir Geoffrey made no mention of the £2.1bn bid by Nestlé, the Swiss food group, for Rowntree, but, echoing the concern of several opponents of the bid, he told a meeting in London: "British companies need to be able to buy into and take over European companies. They should not be thwarted by barriers placed in their way."

He added: "Swiss companies, for example, expect to make takeovers in our market. Their Government must ensure British firms can make takeovers in theirs."

"We want the single market to be an open market. But if the away teams are going to play on a level pitch when they come to the Community we shall want to see them levelling their pitch too for the return match."

Despite the mounting calls for an enquiry, Rowntree's share price was relatively firm yesterday against the general fall in the market. The shares edged down 1p to 54p, 3 1/2p above the value of the bid if dividends are taken into account. Nestlé, which yesterday declared that it owned 13.4 per cent of Rowntree's shares, was adding to its holding again.

Ministers came under further widespread pressure to refer the bid for Rowntree to the Monopolies and Mergers Commission. The issue was raised a number of times, and the two main Tory and Labour motions were backed by 140 MPs.

The bid's opponents lobbied ministers intensively yesterday and claimed to detect some reservation of views following the earlier cool Government response to calls for a reference to the MMC.

Water authorities sell-off on target for late next summer, says Ridley

BY JOHN HUNT

THE GOVERNMENT yesterday appointed Lord Crickhowell, formerly Mr Nicholas Edwards, who was Welsh Secretary in Mrs Margaret Thatcher's Government, to preside over the water industry's restructuring before its privatisation.

Mr Nicholas Ridley, the Environment Secretary, confirmed that the £5bn to £7bn privatisation is on schedule and that the 10 water authorities should be on the market late next summer.

He also said that Rowe and Pitman, the stockbroker, has been appointed as adviser to the sale.

Lord Crickhowell, 54, will become the £40,000 a year chairman of the National Rivers Authority Advisory Committee, which will advise ministers on restructuring the water authorities. He will become chairman of the National Rivers Authority when this comes into being on privatisation.

Mr David Renshaw, 50, a civil servant who has been in charge of the Government's Merseyside Task Force, will be chief executive of the advisory committee.

Lord Crickhowell's main task will be to negotiate with the 10 water authorities the separation of their present regulatory functions for the management of river

basins and the control of pollution in rivers. These will later be vested in the NRA.

Outline schemes will have to be sent to Mr Ridley by the authorities within a month. These will provide for the creation of a separate NRA unit within each authority. On privatisation, these units will be hived off to form the regional offices of the NRA.

The main privatisation bill will be introduced in the Queen's Speech this autumn and will have priority in the next session of Parliament. It is expected to get Royal Assent by about July next year - the stage at which it becomes law. The privatisation - the Public Utility Transfer and Water Charges Bill - won Royal Assent on Monday.

A Government study into the future of defence research establishments is considering their privatisation, according to Mr Nigel Hughes, the director of the Royal Signals and Radar Establishment at Malvern, writes Lynton McLain.

Future privatisation programmes must be used to encourage the 6m people who have become shareholders since 1979 to take a continuing interest in the equity market and to acquire shares in a greater number of companies, Mr Norman Lamont, Financial Secretary, Treasury, said in London yesterday.

Speaking at an FT conference on financial communications and advertising, Mr Lamont said: "We shall be looking to structure and market future privatisations with a view to achieving this goal - deeper as well as wider share ownership."

One in four people in Britain now owned either shares or unit trusts, he said. "Privatisation has been the key to this success."

The new breed of shareholders were long-term investors and on average about two-thirds of initial shareholders had retained their stake in Britain's privatised companies, he claimed.

A Treasury survey showed that more than half the shareholders in both British Gas and TSB intended to invest in other companies in future.

The establishment is one of six non-nuclear research units in the Defence Ministry's procurement executive which are being studied for possible change to a more commercial status.

The centres employ 15,000 staff, about half of them qualified scientists and engineers who work on fundamental research and research applied to military requirements. They are not permitted to do commercial work.

The Ministry of Defence, under the present Government, believes the physical assets and people are underemployed.

The centres are the Admiralty Research Establishment; the Royal Armament Research and Development Establishment; the Royal Aerospace Establishment; the Royal Signals and Radar Establishment; the Chemical Defence Establishment; and the Aeroplane and Armament Experimental Establishment.

Defence research in these and other MoD research centres cost a planned total of £400m in the last financial year 1987-88.

Mr Hughes said the options for the future status of the defence research establishments range from simply putting an "agency" label on the establishments to full privatisation.

BaE will meet shortfall in £1bn Rover investment programme

BY KEVIN DONE, MOTOR INDUSTRY CORRESPONDENT

ROVER GROUP, the state-owned automotive concern, which is to be sold to British Aerospace for £1.8m, is planning investments in the region of £1m over the next five years in product development and new plant and equipment.

Mr Bernard Friend, who retires this month as BaE finance director, yesterday told the House of Commons Select Committee on Trade and Industry that there would be "a shortfall" in Rover's ability to fund this capital spending programme, which would be financed by BaE.

Mr Graham Day, Rover Group chairman, said the company was generating cash, but that it would require "an additional top up". He said that the Rover share in the development costs of a new model was at present about £200m.

Professor Roland Smith, BaE

chairman, said the company was "happy" with the Rover Group corporate plan. "We will support it," he said. "We think Rover Group is a good business, and will be better as part of BaE's portfolio. We are not wishing to buy a business to destroy it or sell it, or cut it about." Asset stripping was not BaE style.

Prof Smith said the deal was completely conditional on the nature of the response of the European Commission to the terms agreed by the Government, which include a fresh capital injection of £800m. "I do not think we that we could say we could abide by any deal whatever it was. If there's a fundamental change in terms and conditions we would have to go back to the Secretary of State and have a look at the changed terms."

Questioned by Dr John Gilbert (Labour), Mr Friend admitted

that he did not know when Rover Group - previously BL and British Leyland - had last made a net profit.

Finally he admitted that BaE did not know whether any future Rover Group losses could be offset against BaE's profits.

Mr Kenneth Warren (Conservative), said that Rover product planning included the addition of a hatchback version to its top of the range 800 saloon later this year, to be followed by the RS - the car that is being developed jointly with Honda of Japan - as a replacement for the Maestro and a replacement for the Metro in 1989-90.

Under the conditional terms of the BaE/Rover deal British Aerospace is to buy Rover once the Government has made a fresh capital injection of £800m to wipe out accumulated indebtedness.

Steel set to quit as joint party chief

LIBERAL VETERAN'S RESIGNATION WILL SPARK BATTLE FOR LEADERSHIP OF DEMOCRATS

BY MICHAEL CASSELL, POLITICAL CORRESPONDENT

MR DAVID STEEL is tonight expected to announce that he is stepping down as joint leader of the Social and Liberal Democrats and that he will not stand in the party's July leadership contest.

His withdrawal from the top of the party he helped create with the merger between the Liberals and the Social Democratic Party, is expected to be confirmed when Mr Steel attends tonight's inaugural meeting of the Democrats in his Tweeddale, Strick and Landedale constituency.

For nearly 12 years Mr Steel, 50, has led the Liberal party and has been interim, joint leader of the newly-merged Democrats for two months.

The decision, after several months of public agonising over his political future, will immediately trigger the contest to elect the Democrats' first leader.

Although candidates for the

post have agreed not to announce their intentions until June 1, the campaign for the poll of party members will, in effect, begin at once.

The contenders seem certain to include Mr Paddy Ashdown, the Member of Parliament for Yeovil and the party's education spokesman, and Mr Alan Beith, the party's spokesman on treasury affairs. A possible third candidate is Mr Malcolm Bruce, the MP for Gordon.

Mr Robert MacLennan, the Democrats' other interim, joint leader, who came in for scathing criticism during the merger process, is not expected to put his name forward.

The contest, which will end with the announcement of the party's new leader on July 26, is expected to be hard-fought. Mr Beith is likely to begin with the support of the majority of the

party's 21-strong parliamentary team, although Mr Ashdown has always enjoyed a strong following in the constituencies and also has the support of some former SDP leaders.

Mr Steel's decision will be greeted with mixed feelings within the party. He is recognised as the most experienced and effective politician within the Democrat camp but there is significant support for the belief that a new party requires a new figurehead capable of providing it with the inspiration to launch its electoral recovery.

Mr Steel, who has said that he intends to remain an active MP, has been under heavy pressure from colleagues to stay on. But he has regularly indicated his belief that he no longer has the same enthusiasm for the job and that it would be best for the party if there were a change



David Steel: experienced and effective but a new party requires a new leader



We are present wherever electric power is needed.

On January 1, 1988, Asea and Brown Boveri merged to form Asea Brown Boveri, the largest energy engineering company in the world.

We are committed to the power business. No other company in our business has the same global presence. We can offer the world's utilities and industries a fuller range of products and services for generating, transmitting and distributing electric power.

To be close to our customers and to serve them as local partners wherever they are, we are present in over 140 countries. We have strategically located engineering centres around the world, so we can tailor systems and products to customer needs. We manufacture locally in more than 30 countries and have 30,000 employees in the industrialising countries alone.

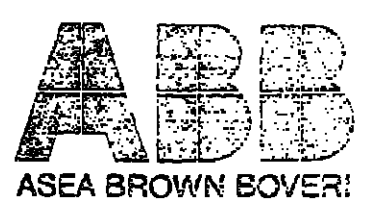
In industrialising countries we supply primary installations that help build up the infrastructure, and we offer the necessary training and back-up services.

In industrialised countries our involvement is more often a matter of upgrading existing plants and networks and improving their efficiency.

The base, though, for our operations are Germany, Sweden and Switzerland. We are established as a federation of local companies.

Our century-old reputation in energy engineering continues. And we are determined to be present wherever electric power is needed, on into the 21st century.

Asea Brown Boveri is the world's leading company in energy engineering. Our business segments are Power Plants, Power Transmission, Power Distribution and Industrial Equipment. Other important areas include Transportation, Factory Automation and Robotics, Environmental Technologies, Instrumentation, Communications and Financial Services. The company has 180,000 employees in over 140 countries and annual sales of US\$ 18 billion.



UK NEWS

BANK OF ENGLAND QUARTERLY BULLETIN

Britain remains biggest banking centre, but Japan erodes lead

By Stephen Fidler, Euromarkets Correspondent

THE UK remained the world's largest international banking centre in 1987, although its share of all international banking business continued to fall as Japan caught up rapidly. Figures contained in an overview of developments in the international capital and banking markets during 1987 in the Bank of England Quarterly Bulletin show that the UK banks' share of all international banking assets fell to 21.6 per cent at the end of last year, or \$1,143bn. This compares with 23 per cent a year earlier, and 24.5 per cent at the end of 1985.

The opening of an offshore banking centre in Japan has contributed to the growth of the Japanese market, which accounted for 18.3 per cent of all assets at the end of 1987, against 14.5 per cent at end-1986, and 10.4 per cent at end-1985.

However, the growth of Japanese banks in the London market slowed last year, growing by 8 per cent compared with 30 per cent in 1986.

Total international lending rose by \$731bn during 1987, compared with \$665bn in 1986, with interbank business accounting for \$547bn of the increase against \$530bn in 1986, and lending to final users of funds rising to \$255bn from \$165bn.

Japanese banks accounted for two-thirds of the interbank business, compared with 55 per cent in 1986, and the Bank noted particularly strong growth in their

business with other Far East financial centres.

The bank's review of the capital and banking markets contains a number of other interesting conclusions:

- Overall activity in the international capital markets amounted to \$334bn in 1987, up only 4 per cent on 1986. Issues of fixed rate bonds, including convertibles, dropped 5.8 per cent to \$163.6bn, the floating rate note market shrank by 74.9 per cent to \$122bn, while the syndicated credit market grew by 195.3 per cent to \$288bn.
- The markets in international bonds and Euronotes and in futures and options may be indicating a reappraisal of risks, but

competition in the market in international syndicated credits may still be resulting in an underpricing of the risks involved.

- The collapse in equity prices at the end of 1986 intensified the shift toward bank intermediation, and away from the securities market. However, that shift may only be partial: "Rather than a reversal of securitisation as a whole, there may be a return to large and liquid bond issues, to domestic markets and to security issues with bank back-ups," says the Bank.
- Gross volume in the secondary market in developing country debt rose substantially last year to an estimated \$150n-200n.

Employers' body urges fresh policy on mergers

By David Chubb

THE CONFEDERATION OF British Industry, the employers' organisation, yesterday called on the Government to re-define its policy on corporate mergers in light of the move towards a single European market.

Mr Kenneth Edwards, deputy director general of the CBI, told a London conference that the Government's present merger policy "becomes less and less realistic as we move towards a single European market in 1992."

The CBI's views follow the Nestlé bid for Rowntree, the UK chocolate and confection maker, and speculation about the extent to which the confectionery market should be considered British or European.

Mr Edwards said that "what is by definition a monopoly situation within the UK, under UK law as it stands, is highly unlikely to be anywhere near a monopoly in the larger European market of 320m people from 1992 onwards."

He suggested that if the UK did not adjust its policies, "we shall end up with a lot of British companies unable to gain the benefits of economies of scale in this bigger market."

Mr Edwards also said that the UK Government should treat as a matter of urgency the problem of how to ensure that British companies have the same freedom to acquire companies in other countries as they do in the UK.

This referred to the restrictive laws in many European countries, including Switzerland, which prevent the foreign takeovers of domestic companies.

Mr Edwards, in his speech to the British Fluid Power Association in London, warned companies to prepare for the changes in Europe.



Ralph Ingersoll: favours large-scale industrial redevelopment

US publisher works on strategy to revive derelict areas

By Raymond Snoddy

MR RALPH INGERSOLL, the US publisher of the Birmingham Mail and Post, plans to become involved in attempts to regenerate some of Britain's run-down industrial areas in the way that US cities such as Pittsburgh and Milwaukee have been revived.

Mr Ingersoll, whose US newspaper publishing business has an annual turnover of \$700m and is worth about \$1.2bn net of debt, is investigating combined public and private-sector initiatives to revive industry in the Midlands of England.

"I am in favour of large-scale industrial redevelopment in the UK and I believe that is going to require a combination of the private sector and the Government," said Mr Ingersoll who describes himself as a liberal Democrat and who believes Britain could be on its way to economic leadership of the European Community by the turn of the century.

The US publisher believes that newspaper such as the Birmingham Post and Mail, and the Coventry Evening Telegraph, in which he has a majority stake, could and should campaign to bring together all the financial and development agencies in the area to encourage regeneration.

Mr Ingersoll, who is 42 and is the first US publisher to buy into the British regional press, would like to see the Government intro-

duce tax concessions for industrial revenue bonds to finance such development.

He has had talks on the issue with Mr Conrad Black, the Canadian proprietor of the Daily Telegraph who has described himself as an "unbiased and unbiased" admirer of Mrs Margaret Thatcher, the Prime Minister.

Mr Ingersoll says he would like to join Mr Black in talks on incentives for industrial regeneration with Mr Nigel Lawson, the Chancellor of the Exchequer.

"We are going to double-team him in hand-to-hand combat," Mr Ingersoll joked on a recent visit to London.

The interest in Britain's industrial future is a further indication that Mr Ingersoll has a serious long-term interest in building a substantial newspaper business in the UK.

The publisher who covered the Newark riots as a reporter in 1968 from under an assumed name, has never intended to acquire more UK newspapers, but probably not immediately.

Before we would even deserve to get more in the UK we have to demonstrate we could operate the Birmingham and Coventry papers as well as Mr Robert Little.

Mr Ingersoll, who has 38 daily and 160 weeklies in the US, bought the UK papers in a deal

worth more than \$60m last November from Mr Little's London Investment Trust.

Already Mr Ingersoll has been offered the newspaper interests of the Alsop Group, a publishing house being sold by the Alsops as it will conclude.

Apart from campaigning for British industrial redevelopment Mr Ingersoll is also campaigning for the creation of better master and research research for British newspapers.

"The difficult days of a shift in UK publishing. The full extent of broadcast journalism and direct-mail advertising has yet to be felt in the UK," says Mr Ingersoll.

He believes that better information for advertisers would help to halt the gradual decline in newspaper advertising.

Mr Ingersoll is chiefly interested in the UK regional press but he admits that if Mr Robert Murdoch ever decided to sell the Times he would be interested.

"I would buy The Times if offered it to give it to Sir Oswald Crawshaw the chairman of his UK company."

When Sir Gordon was a director of Thomson Newspapers he was involved in the sale of the Times to Mr Murdoch.

"He wants it back again," joked Mr Ingersoll.

Role of non-executive directors increases

By Ralph Atkins

NON-EXECUTIVE directors are taking an increasing role in managing Britain's top companies but their influence is not advancing as fast as it was three years ago.

A Bank of England study of the top 1,000 companies shows the trend in the early 1980s towards more non-executive directors has failed to maintain its momentum.

However, it suggests that non-executives are becoming more independent - possibly improving the quality of the board. Appointees are now less likely to have had previous connections with companies.

Out of 549 companies responding to the bank's survey, 90 per cent had one or more non-executive directors on the board. However, the number of companies without any non-executives has risen from 5 per cent to about 10

per cent compared with a similar survey in 1985.

The Bank also notes that since 1985 there has been a drop in the number of companies with three or more non-executive directors. But it says these differences could be because the latest sample is larger and includes more

However, measures of net liquidity, which is net of assets against liabilities, have shown a virtually flat trend in recent years and may have fallen in real terms.

The bank says no single measure can adequately represent the liquidity position of companies. Net liquidity, for instance, provides some indication of solvency but gross liquidity ratios give an idea of companies' flexibility in financial management.

Smaller companies, which probably have smaller boards.

The trend towards adding non-executive directors has been encouraged by Promotion of Non-executive Directors (Pro Med), which was set up by a group of City of London organisations in 1982.

Last year a Pro Med code of practice recommended that companies with a turnover of £20m or more or employing more than 1,000 should have at least three independent non-executive directors on its board. These directors should make up about one third of all board members.

The survey shows that slightly less than 25 per cent of non-executives were either former executives of the company or former advisers to it. This is a marked change from the 1985 survey when almost a third had such connections.

Of companies in the survey, 39 per cent had a board size of between six and eight and 29 per cent had between nine and 11. At the extremes, less than one company in seven had less than five board members.

THE ABILITY TO FAX THE UNFAXABLE.

FO-80

THAT'S SHARP.

FAX A PAGE FROM A BOOK. FAX A WORKING MODEL OF YOUR LATEST PRODUCT. FAX A TEXTILE DESIGN.

IF IT FITS ONTO THE FO-80, YOU CAN FAX IT. THE SHARP FO-80 IS FIRST. THE VERSATILE DESK TOP FAX THAT DOUBLES AS A HIGH QUALITY COPIER.

IT'S COMPACT. IT CAN REDUCE AND ENLARGE. IT CAN SEND PHOTOGRAPHS AND FINE PRINT MATERIAL.

ALL AT A PRICE NO-ONE CAN COPY.

Note: THE SHARPEST RANGE IN THE BUSINESS WORLD. ANY BUSINESS, ANY SIZE, SHARP HAVE WHAT YOU NEED.

THE FO-210: ULTRA COMPACT FAX WITH BUILT IN PHONE, HIGH SPEED TRANSMISSION, SIMPLE OPERATION.

AND THE FO-3200: HIGH CAPACITY MEMORY, ADVANCED CONFIDENTIAL MODE AND RELAY BROADCASTING CAPABILITIES. AUTO DIAL AND MUCH MORE.

THE SHARP FO-80. £1948 + VAT

FOR PEOPLE WHO MEAN BUSINESS SHARP

Government gives £10m towards zoo programme

LONDON ZOO is to get a £10m Government hand-out to help put it on a firm financial footing for the 21st century, Press Association reports.

The Government has made it clear this is a one-off payment and the zoo must use the money to modernise and attract more visitors so that it becomes self-financing.

A report by a team of independent consultants brought in by the Department of the Environment has been accepted by the Government and is expected to lead to a major facelift for the zoo, with amusement and theme-park type attractions, and new animal housing and displays.

Plans for a massive Disney-style amusement park incorporated into the zoo, however, have been rejected. A similar project was proposed in 1985 at a cost of £21m but there were fears it might interfere with the zoo's world-renowned scientific research.

The Zoo, in Regent's Park and Whitpansade Wild Animal Park, in Bedfordshire, have regularly lost money despite Government subsidies and attempts to boost attendance figures. The two zoos, with the Institute of Zoology, form the Zoological Society of England.

Since 1980 the Society has had operating losses of £1m to £2m a year and been faced with a \$500,000 annual repair and maintenance programme.

The emphasis now will be on making the zoos more commercial while maintaining the society's strong commitment to science and research.

Plans are to be investigated of encouraging more private financing of special events, promoting zoo use for social functions, and developing the successful adopt-animal scheme.

The Zoological Society has been at the forefront of promoting international cooperation between zoos, creating a sperm bank for giant pandas, and working to improve exotic animal breeding.

The society was founded by Sir Stamford Raffles, who founded the colony in Singapore, Sir Humphrey Davy and other eminent naturalists in 1826.

The Regent's Park Zoological Gardens opened to members in 1828. Peak attendances were in the 1950s when they topped three million but by 1982 they had slumped to less than a million, although there has been a recovery in the last few years.

Key roles in dispute at Yale and Valor

MR NORMAN Davis, a director of Yale and Valor, has left the locks and domestic appliances group after a dispute about his role in the company.

Mr Davis had sought to be named vice-chairman, in return for giving up the position of finance director, which he had held for many years. Mr Tony Marson was officially named finance director on Monday.

On October 20 last year, Mr Davis delivered a 14-point statement to the Yale and Valor board, claiming that Mr Michael Montague, chairman, had failed to keep a promise, made at an earlier meeting on June 1, to appoint him vice-chairman.

In an official statement yesterday, Yale and Valor described Mr Davis' leaving as "an amicable departure" but refused to answer any questions. Mr Davis, senior partner at chartered accountants Lane Heywood Davis, said he could not comment without permission from Mr Montague.

Mr Davis' individual entry in the 1985 Directory of Directors, a standard reference book, describes him as Yale and Valor's vice-chairman. The company's listing does not. His October statement also complained that matters which were his direct responsibility as finance director had been kept from him.

Personal computer sales 'up 22.4% in quarter'

MORE THAN 100,000 personal computers were sold in the UK in the first quarter of this year, according to figures released this week by Context, a microcomputer research and consultancy company.

This represented a growth in the market of 22.4 per cent in volume terms compared with the same period last year. The value of sales, at £228m, was up 37.0 per cent, Context said.

During the year, there has been particularly strong growth in the market for laptop computers, small portable PCs. Laptops accounted for 5.3 per cent of the total PC market in terms of volume in the first quarter of this

year, up from 0.9 per cent in the first quarter of 1987.

Most of the running in this market was made by Cambridge Computers, headed by Sir Clive Sinclair, and Amstrad, which each launched a laptop this year. The Cambridge Computer 288 accounted for 87 per cent of the laptop market in the first quarter, while the Amstrad PFG accounted for 22 per cent.

In the wider PC market, IBM was the market leader with 26.4 per cent of the market by volume in March, closely followed by Amstrad with 20.8 per cent. After that, there was a considerable gap with Compaq on 12.1 per cent, Apple on 7.8 per cent and Apricot on 5.2 per cent.

Inland Revenue broadens fines for tax offenders

TAX OFFENDERS brought to court on criminal charges by the board of the Inland Revenue may face fines even if they are acquitted, according to a statement of practice published by the Inland Revenue yesterday.

The fine would be based either on negligence or any other offences which have come to light during the investigation. Up to now, the Inland Revenue has not fined tax offenders in such situations.

The Inland Revenue said yesterday that the board had concluded that its existing practice was "unjustifiably generous to the taxpayer who has been prosecuted, at the expense of the general body of taxpayers."

Another statement by the board yesterday clarifies its 1977 statement of practice about charging interest where a taxpayer substantially delays his tax return.

It says a delay will be regarded as "substantial" if the return is not made within 30 days of being issued or by October 31 after the end of the tax year in which the income arose.

However, it says that an interest charge may not be raised if a tax inspector is kept satisfactorily informed to enable to make an estimated assessment.

IF YOU'D LIKE MORE INFORMATION ON THE SHARP FO-80, SEND FREEPOST TO SHARP FAX, PO BOX 8 EAST FDOI, FREEPOST, MANCHESTER M10 0BB, OR FREEPHONE 0600 262 958.

Name _____ Surname _____ Company _____ FOS

Address _____ Details _____ Tel _____ Signature _____

WITH FENG SHUI, fish tanks, feng shui shows a great deal of...

It Ma Za does not ring a bell, that is perhaps because it is better known as Marks and Spencer...

Shoppers in Hong Kong could be forgiven for harbouring a sense of déjà vu as Ma Za opens its doors in Hong Kong...

While the launch in Hong Kong says much about the international expansion of M and S, it also says a great deal about the change in the British territory...

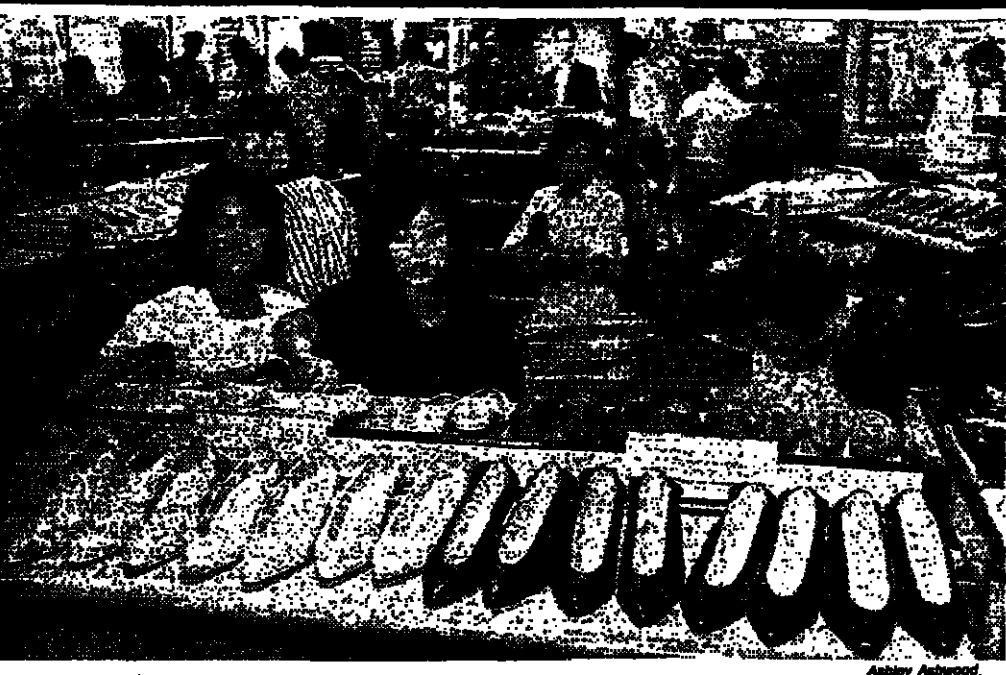
Despite this prospect of strong competition - or perhaps even because of it - M and S has accepted few compromises from the corporate philosophy that has set it apart in the UK...

The birth of Ma Za - a single store of 12,300 sq ft in Ocean Centre, one of the world's largest shopping complexes in the heart of Kowloon - has nevertheless not been quite as smooth as the group would have liked...

Within a matter of months that it intended to go it alone in Hong Kong, the group's products were withdrawn from Dodwell Stores and in their place Dodwell introduced stock from M and S's prime competitor in the UK - S's Terence Conran's HBS (formerly British Home Stores)...

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

"Let's just say it was proving hard to achieve a common handwriting," he suggests. "We had different ideas about products, promotion and strategy, and no doubt, but there are so many other competitors..."



Marks and Spencer's first Hong Kong store: offering the same customer service policy as in the UK

Breaking the mould of Hong Kong retailing

David Dodwell reports on Marks and Spencer's latest venture

The decision by M and S to part company with Dodwell appears to have been a genuine matter of the greatest outgrowing the host...

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

"Let's just say it was proving hard to achieve a common handwriting," he suggests. "We had different ideas about products, promotion and strategy, and no doubt, but there are so many other competitors..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

local custom - not least the group's extensive consultation with feng shui master, Sung Siukwong, Hong Kong's superstitious Cantonese population pay close attention to the principles of feng shui - literally "wind and water" - which are supposed to sustain the harmonious balance of nature...

Sung cast his eye over the store's lay-out plan, had the entrance door moved to ensure evil spirits would not inadvertently stray inside, and suggested a large fish tank in the heart of the store in an area now conveniently allotted to children's wear...

Not content to leave everything to the gods, M and S has launched a major television advertising campaign, and has bedecked a double-decker bus in its two-tone green livery...

Whatever the sceptics say, we don't see this as making life more difficult for ourselves, says Elliott. "With labour turnover of between 40 and 60 per cent in Hong Kong, we don't see money spent 'at the front end' as in any way wasted..."

Among the territory's 15,000 expatriate British, the store is certain to strike a sentimental chord. If space is provided for menswear from the recently acquired Brooks Brothers of the US, then the expatriate American population is also likely to provide loyal patrons...

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

"Let's just say it was proving hard to achieve a common handwriting," he suggests. "We had different ideas about products, promotion and strategy, and no doubt, but there are so many other competitors..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

Branding Amstrad by another name

David Thomas on the value to the company of the Fidelity label

AMSTRAD, THE British consumer electronics group which describes itself as a marketing company, this week surprised many people by announcing its plan to drop one of the best-known names in the British high street - Amstrad itself - from its audio and video products...

The company, in its early days often accused of being a one-product wonder, is trying to introduce order into its sprawling portfolio. Amstrad now applies its philosophy of streamlined design, aggressive pricing and heavy advertising to a clutch of products, from personal computers and word processors to video recorders, hi-fi systems and - from September - camcorders...

On Tuesday, the company acquired the Fidelity brand name from Caparo Industries, which had given up its long struggle to save the last British-owned television manufacturer, Amstrad, uninterested in Fidelity's manufacturing plant, was prepared to pay £3.1m for the name alone...

Miller argues that such doubts are outweighed by the overwhelming need for Amstrad to distinguish its range more sharply. "It's too much to expect the consumer to differentiate such a wide range of goods under one brand name..."

Not that such a scenario yet seems apparent to marketers, it says. Consumers are still increasingly preoccupied with the home, a trend that accelerated in the 1980s with the growth of video cassette recorders...

BRITISH consumers' preoccupation with the home will not lead to their pursuing solitary, hedonistic activities, it is much more likely that the UK is reaching a turning point in the rate at which peoples' lives are centred on the home and that "our lives will return to the public arena in the next century, as consumers become more affluent, car ownership increases, and legislative restrictions on away-from-home services (such as drinking and shopping) become liberalised..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

replacing a better-known mark (Amstrad) with a less well-known one (Fidelity) on goods accounting for a sizeable chunk of its turnover...

"I can't quite get to grips with it. Why pay £3.1m to acquire the Fidelity name? Why not start from scratch? Fidelity may be well known, but whether it's well known for the right reasons is another question..."

Malcolm Miller, Amstrad's marketing director, acknowledges reservations about Fidelity. It is more prominent in Britain than on the Continent, where Amstrad is making a major push in audio and video products...

Miller argues that such doubts are outweighed by the overwhelming need for Amstrad to distinguish its range more sharply. "It's too much to expect the consumer to differentiate such a wide range of goods under one brand name..."

Not that such a scenario yet seems apparent to marketers, it says. Consumers are still increasingly preoccupied with the home, a trend that accelerated in the 1980s with the growth of video cassette recorders...

BRITISH consumers' preoccupation with the home will not lead to their pursuing solitary, hedonistic activities, it is much more likely that the UK is reaching a turning point in the rate at which peoples' lives are centred on the home and that "our lives will return to the public arena in the next century, as consumers become more affluent, car ownership increases, and legislative restrictions on away-from-home services (such as drinking and shopping) become liberalised..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

related products under the Fidelity name," Miller says. Amstrad had already decided to group its leisure goods under a separate name before the Fidelity mark became available...

"I can't quite get to grips with it. Why pay £3.1m to acquire the Fidelity name? Why not start from scratch? Fidelity may be well known, but whether it's well known for the right reasons is another question..."

Malcolm Miller, Amstrad's marketing director, acknowledges reservations about Fidelity. It is more prominent in Britain than on the Continent, where Amstrad is making a major push in audio and video products...

Miller argues that such doubts are outweighed by the overwhelming need for Amstrad to distinguish its range more sharply. "It's too much to expect the consumer to differentiate such a wide range of goods under one brand name..."

Not that such a scenario yet seems apparent to marketers, it says. Consumers are still increasingly preoccupied with the home, a trend that accelerated in the 1980s with the growth of video cassette recorders...

BRITISH consumers' preoccupation with the home will not lead to their pursuing solitary, hedonistic activities, it is much more likely that the UK is reaching a turning point in the rate at which peoples' lives are centred on the home and that "our lives will return to the public arena in the next century, as consumers become more affluent, car ownership increases, and legislative restrictions on away-from-home services (such as drinking and shopping) become liberalised..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

Leisure at home and away

BRITISH consumers' preoccupation with the home will not lead to their pursuing solitary, hedonistic activities, it is much more likely that the UK is reaching a turning point in the rate at which peoples' lives are centred on the home and that "our lives will return to the public arena in the next century, as consumers become more affluent, car ownership increases, and legislative restrictions on away-from-home services (such as drinking and shopping) become liberalised..."

BRITISH consumers' preoccupation with the home will not lead to their pursuing solitary, hedonistic activities, it is much more likely that the UK is reaching a turning point in the rate at which peoples' lives are centred on the home and that "our lives will return to the public arena in the next century, as consumers become more affluent, car ownership increases, and legislative restrictions on away-from-home services (such as drinking and shopping) become liberalised..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

replacing a better-known mark (Amstrad) with a less well-known one (Fidelity) on goods accounting for a sizeable chunk of its turnover...

"I can't quite get to grips with it. Why pay £3.1m to acquire the Fidelity name? Why not start from scratch? Fidelity may be well known, but whether it's well known for the right reasons is another question..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

related products under the Fidelity name," Miller says. Amstrad had already decided to group its leisure goods under a separate name before the Fidelity mark became available...

"I can't quite get to grips with it. Why pay £3.1m to acquire the Fidelity name? Why not start from scratch? Fidelity may be well known, but whether it's well known for the right reasons is another question..."

These are two of nine major Japanese groups in Hong Kong that dominate the retail market, including Daimaru, Isetan and Matsuzakaya, which have been established in the territory for more than a decade...

TECHNOLOGY

Clive Cookson reports on pioneering work in the teaching of technology at state schools

WHAT IS technology? And how can it be taught? These questions have provoked a lively educational debate in the UK, now that the Government has decided that its new national curriculum should include "technology" as a compulsory subject for all state school pupils aged between five and 16...

The working group appointed last month to draw up a technology curriculum faces a harder task than any other committees advising Kenneth Baker, Education Secretary. The other compulsory subjects - English, mathematics, science, history, geography, music and art, a foreign language and physical education - are well established. In the case of technology, there is not even a consensus about whether it can be taught as a self-contained subject or whether it requires an inter-disciplinary approach...

Schools that attempt to teach it as a single subject usually offer a combination of traditional design and craft skills with some electronics and computer work. CDT - standing for craft, design and technology - is now part of UK educational jargon.

But Professor Ted Wrang, director of Exeter University's school of education, says educational opinion is moving away from the single subject view of technology. The Department of Education and Science guidelines for technology as "an activity which goes across the curriculum, drawing on and linking in with a wide range of subjects."

The guidelines say that technology need not be separately timetabled subject. "Schools will be free to teach technology as they choose, provided that the activity is co-ordinated as a clear programme and directed towards the distinctive objectives of technology." The DES wants the working group to "view technology as that area of the curriculum in which pupils design and make useful objects or systems, thus developing their ability to solve practical problems."

Professor Wrang says, however, that the guidelines are inconsistent and sometimes seem to treat technology as if it were a single subject. "There has not been any clear thinking by the DES about what technology is really going to be," he says.

A report published today by two of Britain's leading educational research centres - the Centre for Educational Studies at the King's College, London, and the National Centre for School Technology at Trent Polytechnic, Nottingham - offers the DES a working model for teaching technology in an inter-disciplinary way. Their Technology Education



Derek Cummings, head of design at Aylward School, Enfield, explains the use of a computer-controlled lathe to students on the technology course

A lesson in applying the basics

Project (TEP) has been tried out in 19 state secondary schools in different parts of England over the last three years, with financial support from British Petroleum and the Department of Trade and Industry. TEP is based on problem-solving "tasks", such as: Develop an aid for drivers of large vehicles to reverse safely. Explain why the colour of oranges fades when only natural ingredients are used. Design a small-scale paint drying device for a toy manufacturer. Design and make a kit to help old people avoid hypothermia.

In most cases the pupils prepare for the main project by carrying out smaller "teaser" tasks. For example, before making the hypothermia kit they choose the best materials for old people to wrap themselves in and design an alarm system to warn when the temperature is very low.

The tasks require contributions from several subject areas, including the arts and social sciences. Geoff Halligan, deputy head of Deyes High School in Sutton, Merseyside, says that one of the most successful projects - providing Peruvian villages with clean water - started in his religious education department with a discussion about Christian Aid.

ated out a public inquiry at which angry villagers confronted representatives of the Peruvian Government. Such projects can foster a spirit of co-operation by breaking down traditional barriers between academic departments. For example, the CDT teacher says his colleagues are now less likely to refer to him disparagingly as the "woodwork teacher". Schools normally fit TEP into the regular weekly timetable. At Aylward School in Enfield, North London, pupils aged 14 to 18 spend about 10 per cent of their time on a technology foundation

tasks involve the application of basic knowledge and skills. "There's a danger in thinking that getting back to basics - the three Rs - will automatically improve the economic performance of the country," says Professor Geoffrey Harrison of Trent Polytechnic. "The three Rs are essential but inadequate. We think there is also an essential need to develop the enterprise of individuals."

Harrison says traditional science and engineering education enables students to tackle known problems, whereas the TEP approach "prepares them to face the unknown. We don't know what problems people are going to face in the future and we can't say 'this is the knowledge or skill you're going to need'."

Teachers are generally impressed by the way pupils have responded. "Some have been amazed at the abilities of pupils to recall detailed knowledge derived from tackling a task many months after the event," the report says. "Others have commented that students who had been considered to be of low ability were showing capabilities not previously observed. Most have found that students were much less likely to ask them what to do next."

Professor Paul Black of King's College stresses the flexibility of the TEP approach. "I don't think anyone would want to prescribe particular tasks. These would depend on local conditions - the better you can describe the overall objectives of the curriculum, the more local variety you can have," Black and his colleagues see great scope for schools to involve local industry in this.

Perhaps the greatest problem TEP faces, in an educational world that is increasingly concerned with tests and examinations, is how to assess the performance of pupils carrying out technology tasks. "Assessment is vital because even if the children and teachers love the programme, the parents and employers will not want it unless they can put figures on it," says Robert Murray of King's College.

As the TEP report points out, "the multidisciplinary nature of technology is not well supported by the subject-based General Certificate of Secondary Education (GCSE) examination." The TEP team is therefore working with the Secondary Examinations Council to find a way of assessing the technology tasks and parcelling out the results between the contributing subjects such as science, mathematics and home economics.

"TEP report is available from Robert Murray, King's College, 529 Kings Road, London SW2A

WORTH WATCHING

Edited by Geoffrey Charlsh

Drivers to get first taste of DAT

DIGITAL audio tape recording (DAT) is being strongly resisted by the recording industry, which fears illegal copying of compact discs. However, US consumers may first encounter DAT in their cars. From June, GRP Records of New York and General Motors' Delco Electronics subsidiary plan to mount a joint venture and put a player and tape deck in the more expensive GM models.

Although these machines will only play, not record, they are likely to whet appetites for DAT audio quality. DAT records and reproduces music by breaking it down into codes consisting of simple on-off signals, tiny pulses of magnetism on the tape. The codes can follow musical signals more accurately than analogue systems.

In addition, however, the codes pulses can be replicated indefinitely, so that even copies of copies are as good as the original. Such quality copying is not possible with conventional systems. GRP Records' software is being produced by ITC Electronics of Japan and Loran, a US-based manufacturer.

Where software design loses cash

A LACK of quality control during software design and development is wasting some £500m annually in the UK, for both users and suppliers. This is the finding of a report drawn up for the Department of Trade and Industry by Price Waterhouse, the UK accountants. It says losses could be reduced significantly if software suppliers used quality management systems (QMS), and recommends that the Department of Trade and Industry (DTI) aims a campaign at suppliers and users outlining the costs, benefits and limitations of QMS. "Users should be encouraged to use only suppliers implementing quality systems and to shift the burden of software failure costs on to suppliers," says the report.

Writing days. Logics, the UK computer systems house, revealed that it had also compiled a report for the DTI on

the subject. Logics, however, concludes that either QMS or software engineering standards, applied in isolation, is the answer.

It recommends an integrated approach and also emphasises the importance of international standards (the QMS standard ISO 9001 in particular). This would ensure that the UK is in a prime position to compete in Europe when non-tariff trade barriers are removed in 1992.

Fast service in the Financial Arcade

FASTRAK, part of the Midland Bank Group, has introduced Financial Arcade, a range of on-line services designed for building societies. From a single terminal, the user can obtain insurance quotations, look at share prices, order travellers' cheques, carry out credit checking (using the databases of three leading agencies) and use several on-screen services. For example, electronic mail and telex allows internal information to be passed between offices, or circulars can be sent to branches.

Each of a dozen services can be used by using a personal letter code and is available over a telephone line. A 24-hour, free help line is provided for those who may need assistance in using the network. Fastrak expects that 30 of the largest UK building societies will be using Financial Arcade within year. It believes the service will help them compete with banks.

Computers to aid the weathermen

CONCURRENT Computer Corporation of New Jersey is to supply 342 super-mini-computers for use in the NERAD project to enhance weather forecasting in the US and other parts of the world. The machines are for Unisys, the US computer company, which is prime contractor to the US Department of Commerce for the project. NERAD, which stands for "next generation weather radar", will cost about \$450m (£240m) and Concurrent's order is expected to amount to \$68m. An advanced form of radar will be used in 176

systems sited in the US, the Caribbean and at military bases in western Europe and the Pacific.

The main computers will quickly gather data from the radars, process it and deliver it to individual terminals. Shorter warning times for tornadoes, wind shear (which can force aircraft into the ground) and flash floods will be the most important benefit, but the radars will also detect more detail about the internal structure of storms.

Speaking in tongues by telephone

BRITISH TELECOM is working on a system that allows a speaker at one end of a telephone line, using English, to be understood at the other end by, say, a Frenchman, a German or a Spaniard, using a vocabulary of 1,000 words. When the non-English speaker replies, the system works in reverse and produces English. At present, the system is limited to a set of several hundred phrases to do with booking hotel rooms. Each user is armed with a personal computer which also controls the phrases used on the screen. The system has recently been extended to Japanese.

It is sponsored by British Telecom International and is being developed by the BT Research Laboratories at Martlesham, Suffolk.

Market in metals for superconductors

THE METALS needed to make superconductors are assuming such significance that the Industrial Metals Exchange, operated by the Industrial Metals Group (IMG) of London since 1982, has established the first market in them. The IMG offers a computerised system to match bids and offers for "rare earth" metals including Terbium, Lanthanum and Yttrium. The portfolio is available through the Reuters Alert system to dealers and investors on 250,000 screens worldwide.

CONTACTS: GRP Records, Solihull Road, Birmingham, B37 7YU. (021) 947 0515. Price Waterhouse, London, 457 8888. Logics, London, 527 9111. Fastrak, UK, 0753 22676. Concurrent Computer, UK, 0274 5755. Unisys, 725 4412. Industrial Metals Group, London, 921 7212.

BUSINESS LAW

Law Lords destroy the basis of spare parts copyright protection

By A.H. Hermann, Legal Correspondent

ALTHOUGH the Government stated it "does not believe that industrial progress will be helped if almost any industrial product is protected against copying", the Copyright, Designs and Patents Bill, which moved this week from the House of Lords to the Commons, would give another 10 years of copyright protection to all sort of spare parts and other "three-dimensional" products made on the basis of original engineering drawings existing in any of the countries of the Berne Conventions.

The anomaly, which protects for the life of the author plus 50 years those designs which are not good enough to qualify for 15-year protection under the Registered Designs Act 1949, has been established by two maverick High Court judgments.¹ Though much criticised, these judgments were tacitly condoned by the House of Lords which, in the case of motor car spares, found a way round them by inventing a new human right, namely that of having one's property repaired and, consequently, of having spare parts made for this purpose even if it infringed copyright.

However, in the Lego judgment,² handed down on May 5, the Law Lords struck a mortal blow to this anomaly. The judgment delivered by Lord Oliver

not only deprives of all effect the 10-year reprieve granted to spare parts in the Copyright, Designs and Patents Bill but also eliminates the anomaly with retroactive effect.

The result will be that, for all practical purposes, the denial of copyright protection to products derived from engineering drawings, documents or models, introduced by section 51 of the Bill will come into force immediately and not in 10 years time as provided in schedule 1.

Section 51 reads: "It is not an infringement of any copyright in a design document or model recording or embodying a design for anything other than an artistic work or a typeface to make an article to the design or to copy an article made to the design."

Instead, the Bill would, by its section 58, create a new "design right" in "any aspect of the shape or configuration (whether external or internal) of the whole or part of an article". However, this new design right would not protect the method of construction, features provided for linking or fitting the article with another, or features dependent on the appearance of the final product. Neither would it protect surface decoration. This eliminates spare parts protection with a vengeance.

The speeding up of the reform

by cutting out the 10-year delay is not the only reason why the Lords' Lego judgment is of extraordinary importance. It indicates in other ways that the Law Lords are beginning to be impatient with exorbitant claims for protection of designs which are neither artistic nor novel. Let us have a closer look.

The decision concerning the Lego and Duplo children's model-building systems is likely to have considerable business impact. There must be many more products like Lego bricks, where the penetration of the market by a competitor is made almost impossible by the design copyright of a well-established and dominant product.

A similar problem in the patent field has been recently considered in the case of IBM, which dominates the computer market to such a degree that new hardware producers have little hope of success unless they make their products IBM-compatible. Both US and EC antitrust agencies pressed IBM, with some success, to announce their specifications ahead of new models so that competitors could keep their products compatible.

In the case of Lego, the competitors consider that they have no hope of penetrating the model building market unless they produce a system that is compatible

with Lego. After the expiry of Lego's patent and design protection in the US, the Tyco group did exactly that: it copied elements which formed the core of the Lego system, adding to them elements of its own design. Some, or all, of the modular units were to be manufactured in Hong Kong.

As was to be expected - Tyco made no secret of what it was doing - Lego brought a copyright infringement action in Hong Kong. When it failed in the

The judgment of the Privy Council on the Lego appeal reveals a welcome realism

Hong Kong Appeal Court, Lego pursued the appeal further in the Privy Council. The Hong Kong laws under which the action was brought are replicas of the UK's Registered Designs Act 1949 and Copyright Act 1956. The problem with which the Law Lords were invited to deal is essentially the problem of copyright for "three-dimensional reproduction of original drawings".

The judgment of the Privy Council reveals a welcome realism. The original Lego bricks

were a copy of designs made by Mr Hilary Page, whose UK patents for the system expired in 1964 and 1969. The Lego Group then obtained further protection by new patents and designs which expired in 1975, and these enabled them successfully to resist all competitors producing model systems compatible with Lego.

The appeal hung on the provision of the 1956 Acts which, it was thought, opened copyright protection to designs not capable

of registration under the Registered Design Act 1949. Though Lego's improved designs were registered in 1958, Lego argued that these designs ought not to have been registered because they were incapable of registration, and consequently that they qualified for copyright protection. The reasons why the designs were incapable of registration, Lego claimed, was first that they were functional and not artistic, and second that they were not novel.

On the first point, Lord Oliver said that there was substantial evidence that Lego's draughtsmen aimed not only at functional efficiency, but also at the eye appeal of the product. Lego was wrong to argue that the designs were not capable of registration - and thus available for copyright protection - because they were purely functional.

On the point of novelty, Lord Oliver said that the words "capable of registration" had to be traced back to the Copyright Act 1911. It seemed in the highest degree improbable that the framers of this Act, which denied copyright to works intended to be used as models for industrial production, wanted to give copyright protection to such excluded works only because they also lacked novelty. The words "capable of registration" aimed at works which had the essential characteristics of designs at the time they were made, none of which was originality and novelty. It was absurd, said Lord Oliver, to maintain that a design sufficiently novel to qualify for registration would be excluded from copyright protection, while a "design" lacking novelty - and therefore unable to obtain 15-year protection by registration - would qualify for copyright protection for the entire life of the author and a

further 50 years. It is this aspect of the Law Lords conversion to ordinary common sense which puts an end to the "three-dimensional reproduction of original drawings" argument.

Lego's second claim, which concerned post-1973 designs, failed because the Law Lords concluded that these contained no visually significant changes or improvements from the earlier designs. In this connection Lord Oliver discussed "originality", for which no statutory definition exists. It had been said, in the context of literary copyright, that it depends on the degree of skill, labour and judgment involved in preparing a compilation. It was a gross error to apply this as a universal test, said Lord Oliver. A reproduction of a drawing, though requiring skill and labour, would become an original work only by some material alteration or embellishment.

To sum up, copyright protection of spare parts and other products made on the basis of engineering drawings, models or other documents, has been struck off with immediate and retroactive effect.

After the enactment of the Bill there will be only two types of design protection available in the UK: • Firstly, protection under the

1966 Act by registration of designs which have the eye appeal. The Act should be amended as proposed in the Bill. • Secondly, there will be a new copyright protection of future original designs which need not have eye appeal. Originality will have to be determined by the stricter definition given in the Lego judgment and the design right will protect neither the method of construction of the items of fitting, nor the shape in as far as it depends on the final product of which the article should form a part. This would include both Lego bricks and motor car exhausts or other spare parts.

The state of law achieved in this way can hardly be called simple and easy to grasp. It is a measure of the present times that it can be seen as a considerable improvement.

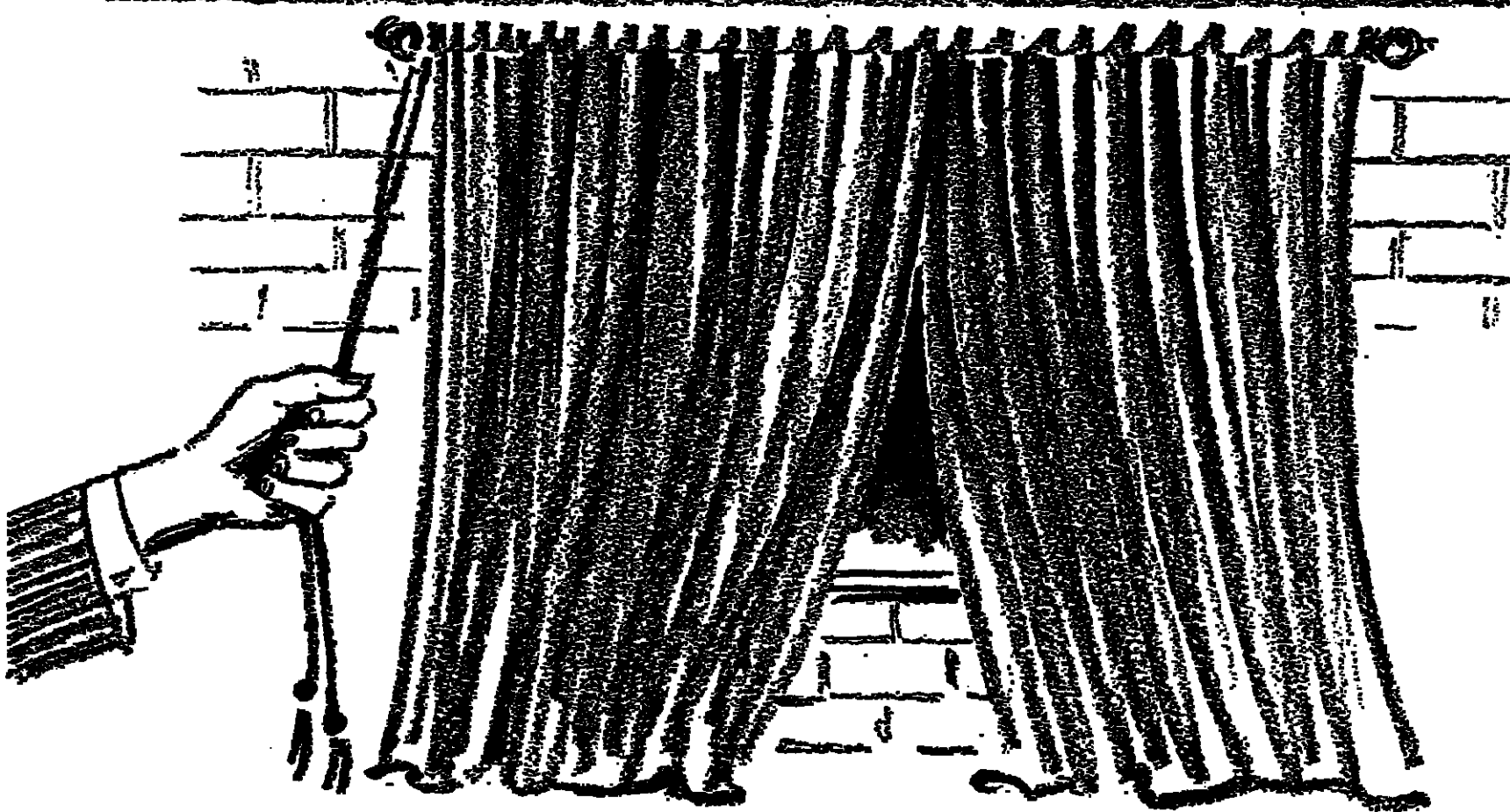
¹ Green Paper Reform of the Law relating to Copyright, Designs and Performers Protection, Cmnd.8302, Chapter 1, par 12.

² Doring v Horner (1969) EPC 103, and Amp v. Uchir (1972) RPC 103.

³ Privy Council Appeal No. 49/1987, Interlego AG v Tyco Industries Inc and others, FT Law Reports 11 May 1987.

UNIT TRUST MANAGERS. ARE YOU READY FOR 1ST JULY?

We can reveal the solution to Unit Trust pricing.



Only 39 working days to go.

Are you ready?

Call us at Extel Financial and we will unveil new services specifically targeted to meet the demands of the Financial Services Act.

Extel Financial has a proven track record of supplying vital information services to unit fund managers and the media. We can provide the information either as intra-day "snapshot", real-time feeds or through our Investment Accounting Unit Valuation Services.

If you do nothing else before 1st July, talk to Extel Financial. Our Unit Trust Freefone is open now.

CALL THE EXTEL FINANCIAL UNIT TRUST DESK FREE ON 0800-282 548

EXTEL
Financial

All you ever need to know

Ondine/Covent Garden

Clement Crisp

Two presences dominate Ashton's Ondine... The ballet fell from the Royal Opera during the 1890s...

Ashton's output more dramatically ambiguous... and silver clothes of the third act guests...



Anthony Dowell and Maria Almeida

physical and emotional direction... And so Ondine is restored, and we owe thanks evermore...

King John/The Other Place, Stratford-upon-Avon

Michael Coveney

This is the first time I have seen this tricky play taken seriously... by the Royal Shakespeare Company...

Inspector Clouseau. One ladder is extracted as an improvised council table for John's second coronation address...

As in her Swan Titus Andronicus last year, Miss Warner takes each scene on its merits but has a great eye for the overall shape...

La Bohème/Glasgow

Max Loppert

The resurgence of Scottish Opera has been remarked more than once this season... The meeting of Edith Moshinsky, who has been producing few Scottish operas...

Xerxes/Coliseum

Andrew Clements

The return of Vauxhall Gardens and its deck chairs to the Coliseum stage signals British National Opera's revival of Handel's Xerxes...

Lontano/Elizabeth Hall

Paul Driver

The Lontano Ensemble's programme given under the direction of Colin Davis... striking were the celesta sounds as faked by a DX7 synthesiser...

The Flying Fruit Circus/King's, Glasgow

Michael Coveney

Circus has become a new form of radical lifestyle, especially in Australia... The point about circus skills is that they take years, even generations, to achieve perfection...

pride of lions. And talking of Shirley Temple, I also find something deliciously but disturbingly obscene in the sight of pubescent girls in shiny leotards balancing on bicycle handlebars...

Der Kaiser von Atlantis/Bloomsbury Theatre

Richard Fairman

As a period of remembrance approaches and our thoughts go back 50 years, the events of the holocaust will be subject to an ever deeper re-appraisal... Imprisoned in Theresienstadt and finally executed at Auschwitz...

Bloomsbury Theatre in Gordon Street puts the opera before us with a new and unmistakable feeling of urgency... The production is that of the Wiener Kammeroper already highly praised in the home...

Saxophone, tenor-banjo and harmonium give the piece a strong flavour of Weill and Eisler... There is a further performance tonight. The festival then continues with operas by Poulenc, Stravinsky and Weill.

Arts Guide

Exhibitions LONDON The Royal Academy, Coombe, The Early Years 1858-72... WEST GERMANY Berlin, Martin-Gropius Bau, The first complete show of the artist's work...

PARIS Musée d'Orsay, Van Gogh in Paris... VIENNA Austrian Museum of Applied Arts, The Kunst and Revolution... WASHINGTON National Gallery, The human figure in early Greek art...

CHICAGO Art Institute, A century retrospective of the work of Georgia O'Keeffe... TOKYO Tokyo Metropolitan Art Museum, Ueno, 'Japan in the 1920s'...

Saleroom/Antony Thorncroft Sky high Impressionists

The extraordinary strength of the fine art market, at least at the very highest price level, was spectacularly displayed at Sotheby's in New York on Tuesday night when fifty three Impressionist and modern paintings and sculpture sold for \$94,497,500...

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Thursday May 12 1983

Priorities for UK schools

THERE ARE only two ways to raise educational standards: change what children are taught or change the structure of the school system. The latter Government is trying both tactics in the present Education Reform Bill. The plan to allow state schools to "opt out" of local authority control and the creation of city technology colleges are structural changes. The creation of a mandatory national curriculum backed by an elaborate new machinery for assessment is an attempt to reform what is taught in the classroom. Curricula and structural changes are necessary, but the Government has yet to show it has struck the right balance in either field.

Lord Joseph, backed by many Labour peers, argued again last week that Mr Kenneth Baker's national curriculum could prove too restrictive. The Government says all children should study 11 subjects up to age 16: the "core" subjects of English, maths and science; seven "foundation" subjects such as geography and a foreign language; and religious knowledge. Critics fear that such a generalist and academic curriculum will undermine recent efforts to promote technical and vocational education for gifted but non-academic children. Others worry that a mandatory curriculum whose subject divisions derive from the 19th rather than the 20th century will stifle innovation and retard educational progress.

Obvious compromise
The obvious compromise, as suggested in the House of Lords, is to make the three core subjects mandatory but to allow greater flexibility over so-called foundation subjects, especially for 15 and 16 year olds. Not all teenagers can be expected to benefit from the academic study of a foreign language, nor is geography, say, necessarily a better foundation subject for bright children than Latin. Mr Baker, in striving to raise average standards, must ensure that he does not reduce motivation at either the top or bottom of the ability range. Giving schools greater freedom to establish their own priorities once they have met the essential core requirements is an option worth considering.

Japan's role in world finance

ANOTHER skirmish has broken out in the long-running battle for foreign banks and brokerage houses for access to the still restricted Japanese financial services industry.

Both the UK and the US are blocking attempts by Japanese institutions to become primary dealers in their respective treasury bond markets so as to put pressure on Tokyo to further open up membership of its own stock exchange to foreigners. In the US, the proposed Trade Bill contains a clause specifically aimed at achieving reciprocity of access to foreign financial markets, and this has caused the Federal Reserve Board to discourage Japanese applicants for primary dealer status.

The UK, by contrast, is using methods which might well have come out of Japan's own book: the authorities have officially recognised two Japanese bond dealers, Nomura and Daiwa, but have conveyed to them the crucial message that in the world market participation in the market would not yet be welcome.

Displays of force
It is regrettable that the two countries should have had to stoop to these tactics, particularly since there is not strictly a reciprocity issue between access to treasury bond markets on the one hand and membership of a stock exchange on the other. But displays of force are thought to be necessary to impress upon the Japanese the importance of open-handedness in the financial services business. They have often worked in the past, and may well work again this time.

However, the demands should not distract attention from the very real changes that have already taken place both in the structure of Japan's own financial system and in Japan's attitude towards competition in the world financial services market. Tokyo may not yet have attained the standards of openness of London or New York, and will probably for some time retain some domestic characteristics that frustrate foreigners. But where three dominant markets interact, as they increasingly do, there is ample evidence of a greater readiness by the Japanese financial establishment to

"YOU AIN'T seen nothin' yet!" Eric Hammond, general secretary of the EETPU, British electricians' union, schooled Ronald Reagan (and Al Johnson) when three years ago he gawped at the union's challenge to the Trades Union Congress. "Put us outside the TUC," he said, "declare open season on our membership, and we will not lie quiescent waiting to be carved up."

"We will do what is necessary to survive: unthinkable pacts, amalgamations, membership free-for-all - you ain't seen nothin' yet!"

We may now be about to see it. The TUC was yesterday starting to come to terms with the implications of the EETPU's decision to ballot its members on continued membership of the TUC and to defy TUC instructions to withdraw from two of its controversial single-union, strike-free agreements. The results may well include inter-union fights for members in companies across the country - and perhaps the EETPU attempting to attract like-minded allies to form an alternative TUC.

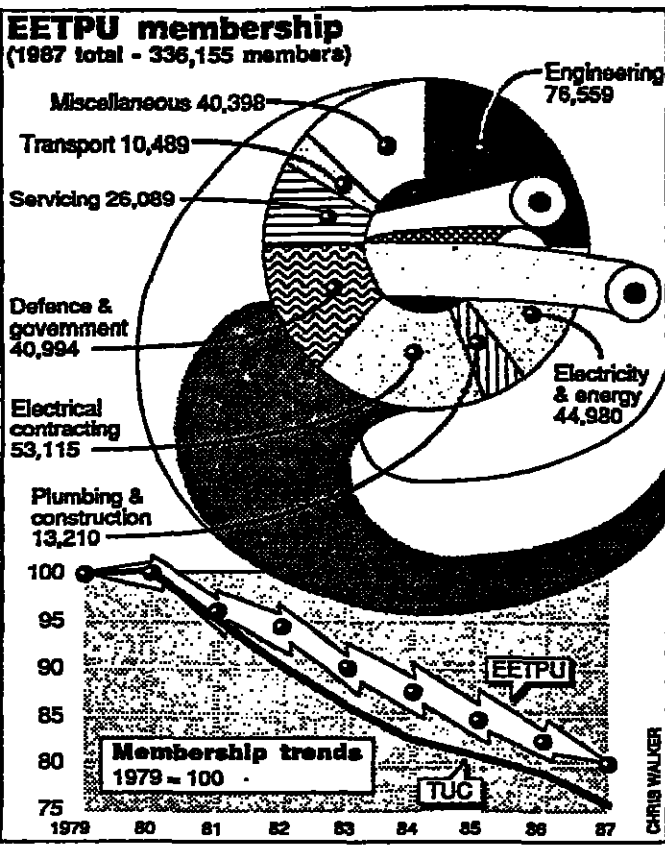
But, when the TUC has so little influence on the national stage, does it matter if there are two or more trade union centres in the UK? France has five, Japan and Italy have three. Only West Germany and the US, among Britain's major international competitors, have single trade union centres. Even in America, the American Federation of Labor and the Congress of Industrial Organisations, now united, were rivals for many years; and until the Teamsters' union rejoined the AFL-CIO last year it, too, formed an alternative power centre.

In the UK, speaking with one voice only has much relevance for the unions inside tripartite organisations such as the Manpower Services Commission. But despite the Government's political drive against them, union attitudes can matter a great deal at company level. A general director at one of Britain's most prominent manufacturing companies, for instance, would on balance like to take part in the Government's new £1.4bn Employment Training scheme for the adult unemployed, but says his company can't - "because the unions won't let us."

So the possibility of a rival centre of trade union power matters to employers as well as to union members. Mr Hammond now talks openly about other, non-TUC unions, being attracted to an avowedly moderate, largely non-striking union federation. Candidates for such a move - all of which have already considered the TUC's "Bridlington rules" - include the breakaway Union of Democratic Mineworkers, the Professional Association of Teachers, the Association of Professional Ambulance Personnel, Pumpo (a local government union), and even the Royal College of Nursing. All are outside the TUC, most are wedded to no-strike policies, and most - unlike most TUC unions - are gaining members, rather than witnessing continued losses.

An alternative trade union federation would be a still more serious blow to the TUC if it were to attract the AEU engineering union, the EETPU's principal ally inside the TUC. The two unions have been in a long, bitter, but so far inconclusive, merger talks. The TUC could handle the loss of the 320,000-member EETPU. But the loss of the AEU - with 800,000 members, Britain's second-largest union - would prompt a crisis.

Philip Bassett examines the possibility of a trade union federation to rival the TUC



Trouble if Britain's sparks fly

There is no reason yet for the AEU to go, but Bill Jordan, its outspoken president, is as insistent as Mr Hammond that the AEU, not the TUC, should determine the kind of agreements it signs with employers. Whether or not it joined the EETPU outside the TUC, the attitude of the AEU would be crucial in determining whether an inter-union recruitment war ensued once the electricians were no longer protected by the TUC's "Bridlington rules" which forbid membership poaching. In such a battle, the EETPU would be "fighting it out with TUC affiliates in 1,001 hand-to-hand combats on shop floors across the country," as Mr Hammond luridly puts it.

Some EETPU leaders are confident that the AEU, keen to merge with the electricians, would hold back from conflict. Others believe that following a lukewarm decision two weeks ago by the AEU's national committee, the merger may now be in jeopardy, leaving the way open for widespread membership poaching.

unions tried to recruit its members. "Once I was able to identify who was attacking us and where," says Wyn Bevan, EETPU South Wales executive member, "then I would have only one recourse: and that's to go back on them twice as hard."

EETPU leaders recognise privately that the union is most susceptible to losses within the engineering industry. Though engineering represents the single largest slice of the union's membership, electricians in engineering are in small, largely unprotectable pockets: classically, two or three men sitting in a plant at the end of the factory, playing cards, and waiting for the light-bulbs to blow.

"They could well find themselves in enormous difficulty within plants," says one local negotiator of the TGWU (transport union). "In some plants they may well be the sole plant they are in, and most they're the minority union and they may get excluded from negotiations because we wouldn't sit down with them."

According to the leaders of their union, electricians tend to be different: individualistic, skilled, flexible, argumentative, mobile, entrepreneurial. Many regard their union card as an informal skills certificate, vital for employment even in these post-closed shop days, and might well be reluctant to give it up. But even in a company as large as Ford, the union's 823 members spread across 23 plants might not be easily defensible. The same might go for 588 members in refrigeration, 691 members in the docks or 506 in companies in the independent steel sector.

The EETPU executive knows some losses would be inevitable if the union were outside the protective net of the Bridlington rules. But against that would be what the union sees as its potential gains. Only if pushed, it says would it start to poach other union members. It would not take much pushing, however: the EETPU is often a union that likes to get its counter-attack in early, or even first. Privately, its leaders regard membership pockets of some other unions, principally its old political adversaries in the MSF (general technical union), as ripe for plucking.

The union believes, too, that many more employers would be keen to sign single-union deals with the EETPU once it was freed from the TUC's restrictions. But it acknowledges that some employers might be unwilling to agree a deal with a union which might not be a safe bet. "There are many cowards among employers," Mr Hammond says. Some employers might well seize the opportunity of the EETPU independence of the TUC to do what they have long wanted, but have been unable to achieve in practice: switching from multi- to single-unionism. In preparation for what they have believed is the inevitability of being suspended or expelled from the TUC, some EETPU leaders have been taking soundings and are convinced that a number of employers are ready to move in this direction.

It may not come to that. There may still be a way to keep the EETPU inside the TUC. But the rules on inter-union relations is narrow, if it exists at all. Permanent splits in the TUC have been forecast often in the past and the unions have always pulled back from the brink. But this time, it could be for real: if so, you ain't seen nothin' yet.



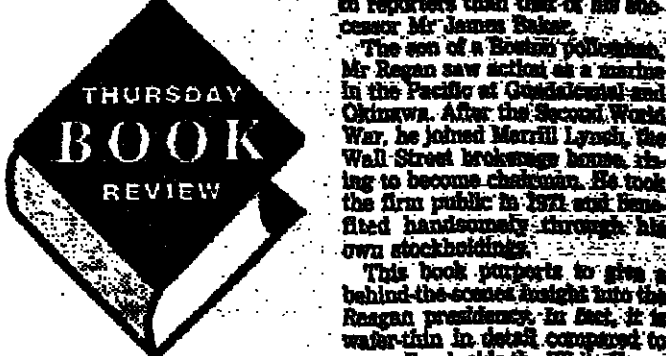
It's from Sir Jeffrey Stirling - if we lose the ship, we're to go down with the ship.

touching concern among readers for the welfare of goldfish which have the habit of picking gravel off the bottom of their tanks and getting it stuck in their mouths.

A vet in Shepton Mallet noted the distress the owners seeing their fish bumping nose down, along the bottom of its aquarium. Another from Rainham observed the same in a patient delivered in a jam jar; and a third from Burnley reported the misdemeanours of an habitual gravel eater which usually, but not always, managed to spit the pieces out. All the fish were treated successfully by removing the gravel with forceps.

Pig portraits
The placing of the president of the British Knitting and Export Council next to a gardener's potting table does not quite do justice to the Princess Royal at the Royal Academy Summer Exhibition which opened yesterday.

Not straight
The Danish telephone company, KTAS, sent their project manager to a conference on financial services the other day. He is called Bent Banke.



For the Record
From Wall Street
to Washington
By Donald T. Regan
Harcourt Brace Jovanovich \$21.95

DONALD REGAN, like at least one too many figures in the Reagan administration, is a former marine Lieutenant Colonel who got too big for his boots. He reached the peak of his power in late 1985 when, as White House Chief of Staff, he was known in Washington as the Prime Minister, the most dominant presidential adviser since Sherman Adams served Dwight Eisenhower.

For just over two years, until he was ousted in a palace coup in February 1987, Mr Regan controlled access to President Reagan, assumed control of public relations and counted among his duties telling a daily joke to the commander-in-chief.

He never betrayed a lack of confidence in his own ability. After the Brykjavik mini-summit between Mr Reagan and the Soviet leader Mr Mikhail Gorbachev, which many judged a failure, Mr Regan boasted he could turn opinion round: "Some of us are like a shovel brigade that follows a parade down Main Street, cleaning up."

Mr Regan has now downed tools. In return for a \$1m advance (subsequently donated to charity) he has set out what might politely be called the revisionist view. His account asks the reader, in effect, to suspend belief about his reported power-grabs and to reject any notion that he is a Republican - George Bush the Vice President - winning the November election.

This may tell the reader something about party loyalty in the US but the more important message is that Mr Regan wants his reputation back. What he fails to realise is that this book, more than anything else, will surely that reputation for years to come. This is a shame, because those who knew Don Regan when he came to Washington in 1981 as President Reagan's first Treasury Secretary, regarded him as an engaging individual with a keen sense of humour and a door which was a good deal more open

Table with flight times from Paris and Brussels to London.

NEW SERVICES TO LONDON CITY AIRPORT FROM PARIS, BRUSSELS AND AMSTERDAM. Includes flight schedules and contact information for Air France & Brymon, UTA & London City Airways, Sabena & London City Airways.



in reporters than that of his successor Mr James Baker. The son of a Boston politician, Mr Regan saw action as a marine in the Pacific at Guadalcanal and Okinawa. After the Second World War, he joined Merrill Lynch, the Wall Street brokerage house, going to become chairman. He took the firm public in 1971 and diversified handsomely through his own stockholdings.

This book purports to give a behind-the-scenes insight into the Reagan presidency. In fact, it is water-tight in detail compared to an earlier inside-the-White-House account penned by Mr David Stockman, President Reagan's former personal budget director. It is a classic: the President being the equidistant ball, the President flitting over a steel goldfish in Geneva, Mr Regan with Mr Gorbachev at Brykjavik and refusing to compromise on his Strategic Defence Initiative anti-ballistic missile system.

The impression is of a collaborative President, an isolated and rather lonely individual, but a man of jokes and anecdotes and a mail-bag which in 1985 contained up to 4,500 letters a day.

Once, in November 1981, he displayed vulnerability. When Mr Regan threatened to resign, Mr President turned to his staff and said: "You're the only friend I have around here. If you go, I'll have to get my hat and go with you."

Such comments reveal President Reagan's true weakness: his fundamentally flawed judgement of character. His indulgence stretches way beyond Mr Regan. It applies to Mr Ed Meese, the US Attorney General, who is stuck in a mire of multiple conflicts of interest and ethics accusations. It applies to Mr Michael Deaver, the Deputy White House Chief of Staff who could hardly stand by his White House connections. And it applies to other lesser known characters who somehow sneaked into the administration in 1981 and 1984 and stayed.

Mr Regan takes a strong case in denying responsibility for the Iran-Contra scandal, even though it was run within absolute distance of his office by Lt Col Oliver North. One of the results of the enormous growth in the size of the White House staff since the Second World War is that Mr Regan can state, quite openly, that he spoke to Col North, one of the most powerful figures in the bureaucracy, only once in two years.

Since Mr Regan regarded his job as primarily running domestic policy, he kept his nose largely out of foreign affairs. He argues that Col North and President Reagan's former national security adviser Mr Robert McFarlane should take much of the blame for the Iran-Contra scandal.

Even in the search for a full stop, Mr Regan was the fastest ship to be thrown to the congressional wolves. He wanted to leave on his own terms; but Mrs Reagan and a cabal of Californians organised his fall, and he left in disgrace. A strong President would have fired him months before.

In an afterword entitled "Reflections on Public Service," Mr Regan betrays the tendency to process the activities of Government into entertainment, and the American tendency to trivialise the nation's business. Yet this is precisely what he has done with this book, both in its style and in its content. As Mrs Regan's harassed astrologer in San Francisco said prophetically this week: "He has turned the whole world into a circus."

Lionel Barber

Japanese fortunes

Nancy Reagan's dependence on astrology, as revealed by the White House chief of staff Donald Regan, is causing bemused smiles in Japan where business leaders and politicians consult them all the time.

Prime Minister Noboru Takeshita's office, for example, confirmed yesterday that Japan's leaders believe in fortune-telling, "like many Japanese do".

Indeed, the story in Tokyo these days is that Takeshita eschewed a four per cent economic growth forecast for the current fiscal year because the number four means death in Japanese. The Prime Minister's office yesterday could not confirm or deny the story, but the fact remains that Japan's official growth forecast for the current year is 3.8 per cent.

Whenever practical, according to his aides, Takeshita will schedule an important event on a lucky or unlucky day, as determined by the ancient Chinese lunar calendar. Under this system, every day has one of six classifications. They include lucky, unlucky or unlucky until luncheon.

So many Japanese pay attention to this system that it is published in nearly every Japanese pocket diary.

OBSERVER

The two sides are starting to change. The Prime Minister, who is pained at the amount of ceremonial taken up during Kohl's frequent visits with President Mitterrand, believes that sessions with Kohl should be down-to-earth affairs. She has invited the German Chancellor to Chequers on July 9 - a Saturday - for an extended working session, no doubt concentrating on the European Community, East-West relations and arms control.

Full-scale six-monthly summit meetings between the British and German leaders, as well as their ministers, the last of which took place in September 1982, seem to have been quietly buried.

Lady Slipper
The Earl of Calthorpe, minister for the environment, countryside and water, surprised conservationists yesterday with the announcement that the 5,000 sites of special scientific interest in Britain are to be increased to 7,000. He broke the news at Chelsea Physic Garden while launching Wildflower Week.

The Government has also listed more protected plants. There are 97 in all and the rarest is probably the Lady Slipper Orchid. A handful exist "somewhere in Yorkshire".

Salomon's chief
Salomon Brothers yesterday declared a vote of confidence in the future of their London and European operations by appointing a new president and chief executive officer direct from the board in New York.

James L. Massey is taking over from Miles Slater as head of Salomon Brothers International in London. Slater, who is leaving at the end of next month, had the same title, but without the prestige of the direct link to the New York office.

Tom Strauss, the New York president, has been visiting Lon-

don once a month recently to keep the staff in touch with developments, and was here again yesterday for the announcement. He said that Massey's appointment was the strongest statement the firm could make, both internally and externally, about its commitment to the European side of the business. In future Europe would be inextricably linked to the head office where control is exercised.

Salomon remains an American firm with its own culture. Strauss stressed, but one making the transition to the international arena. Its other European offices are in Frankfurt and Zurich; they tend, however, to be satellites of the London operation and the arrival of Massey is meant to be a boost for them as well.

Massey joined the office of the chairman in New York earlier this year, having been with Salomon for over two decades.

Tortoise in love
Earning correspondence in the Veterinary Record reveals a

dom once a month recently to keep the staff in touch with developments, and was here again yesterday for the announcement. He said that Massey's appointment was the strongest statement the firm could make, both internally and externally, about its commitment to the European side of the business. In future Europe would be inextricably linked to the head office where control is exercised.

Salomon remains an American firm with its own culture. Strauss stressed, but one making the transition to the international arena. Its other European offices are in Frankfurt and Zurich; they tend, however, to be satellites of the London operation and the arrival of Massey is meant to be a boost for them as well.

Massey joined the office of the chairman in New York earlier this year, having been with Salomon for over two decades.

Tortoise in love
Earning correspondence in the Veterinary Record reveals a

The closer you look at Building Surveying the more you see... St Quintin

FINANCIAL TIMES

Thursday May 12 1988

TRY CONSTRUCTION GROUP Build for Business. HEAD OFFICE: LONDON EC2A 4DU. CITY OFFICE: 0000 ANDS 01-538 2303

Lloyd's prepares to open another Act in the Gulf war

BY NICK BUNKER IN LONDON

A FIBRE of American law dating back to George Washington has given insurers at Lloyd's of London the novel idea of suing Iran and Iraq for more than \$1bn (\$1.88bn) of shipping losses suffered in the Gulf war.

mentioned by Mr Donald, O'May of Ince & Co, the leading London law firm, at a seminar in London's Baltic Exchange.

O'May says it allows American plaintiffs to overcome the sovereign immunity which usually protects governments from being sued, and recover damages from foreign states which have breached what the eighteenth century called the law of nations.

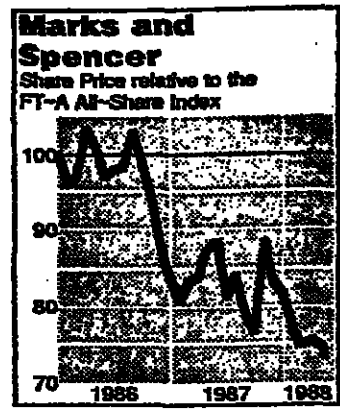
and used it to file a suit in New York. This is now with the US Supreme Court. Ince & Co believes there could be similar laws in other countries that the Lloyd's underwriters could use against Iran and Iraq.

we'll look at the idea," said Mr Christopher Rome, chairman of the Lloyd's Underwriters' Association.

THE LEX COLUMN

Falling in step with New York

Although too much seems to have been read into a casual remark by Mr Lawson to a US newspaper, it may be that interest rates are being raised globally for the first time since the crash.



trail. The recent strength to Scottish & Newcastle's share price suggests the market has a target in mind.

GrandMet Given a chance, most company chairmen will say that their shares are under-rated by the market, but some mean it more than others.

Thomas Robinson Any merchant bank that resents the Bank of England's efforts to tighten limits on underwriting should study the mess Fleming has got itself into over Thomas Robinson.



To Navigate in the Rough Waters of International Financing, Rely on Tokai Bank

The seas of international finance can get quite stormy. That's why you need an experienced navigator to determine the proper course for your financing and investments.



Head Office: 27th, 28th, 29th, 30th, 31st, 32nd, 33rd, 34th, 35th, 36th, 37th, 38th, 39th, 40th, 41st, 42nd, 43rd, 44th, 45th, 46th, 47th, 48th, 49th, 50th, 51st, 52nd, 53rd, 54th, 55th, 56th, 57th, 58th, 59th, 60th, 61st, 62nd, 63rd, 64th, 65th, 66th, 67th, 68th, 69th, 70th, 71st, 72nd, 73rd, 74th, 75th, 76th, 77th, 78th, 79th, 80th, 81st, 82nd, 83rd, 84th, 85th, 86th, 87th, 88th, 89th, 90th, 91st, 92nd, 93rd, 94th, 95th, 96th, 97th, 98th, 99th, 100th

Peter Bruce in Madrid reports on tension that lies behind the rise in inflation figures Spain's boom tests bankers' nerve

THE RESEARCH TEAM at the Bank of Spain has a reputation in Madrid for being remarkably clever. The reputation survived last year's interest rate crisis and apparently continues to flourish despite its monetarist afflictions.



the Government will not be prepared to make any fiscal adjustments to reduce its borrowing and that it will simply put pressure on the Bank of Spain, once again, to save the day.

Mr Carlos Solchaga, the Finance Minister, has warned that he might impose controls on short-term capital movements to stop the rot.

Spain is booming. Growth in gross domestic product could reach 4.5 per cent this year and lead the European Community, there is net job creation; wage settlements are beginning to harden at just over 5 per cent and strikes are down 60 per cent on last year.

5 per cent of GDP. It was probably the April inflation figure, though, that started ringing alarm bells. It brought the accumulated first quarter price rises to 1.6 per cent - more than half the Government's 3 per cent target for the year.

Mr Solchaga has little sympathy with critics who argue he is not doing enough to cut government borrowing. Tax receipts this year are way above budget and could pull the public deficit down to below 3 per cent, he suggests.

Exports, too, did well in the first quarter despite the rise in the peseta and may allow the Government to cut its 53bn current account deficit forecast, says Mr Bay.

Consumers are sucking in so many imports that for the first time in years the huge tourist receipts are going to fail to keep its current account in the black.

The central bank would already have been aware by then that April M4 would be way out of line, but so far it has held its nerve. The official view is that April was a one-off phenomenon.

An added policy complication beginning to irritate some members of the Government is Mr Rubio's leanness to take Spain into the European Monetary System quickly.

Mr Rubio wants to renew his term of office when it expires it may be difficult to resist more government pressure to continue using monetary mechanisms as the principle instrument of economic policy.

Madrid's wide streets stream with new cars and its shiny supermarkets teem with shoppers until late.

No one expects the Bank of Spain to repeat last year's climb swinging when it took interbank rates to more than 20 per cent to meet the Government's inflation target.

Whatever the case, the appearance of the April inflation figures later this month and the central bank's reaction will have a major impact on the business mood in Madrid.

Whatever the case, the appearance of the April inflation figures later this month and the central bank's reaction will have a major impact on the business mood in Madrid.

Private sector liquidity (M4) grew, it is thought, nearly 15 per cent in April, way above its already generous 9-11 per cent target band.

There lies the core worry: that embattled chairman, Mr Alfonso Boscama, He is trying to draw friendly shareholders on to the board to help fend off the newcomers.

Mr Lawrence Banks, head of corporate finance at Robert Fleming, said the bank would finance the purchase of the shares from its capital, which exceeds £250m.

Mr Banks said Robert Fleming had no regrets about suggesting the Crowther deal to Robinson: "We only wish that the sub-underwriting had been more successful."

Shareholder raises stakes in struggle for control of Banco Central

A THINLY disguised struggle for control of Spain's biggest private commercial bank, Banco Central, may be about to erupt again after a decision taken on Tuesday by its unwelcome majority shareholder to raise new capital.

two local entrepreneurs has head about 13 per cent of Banco Central since last year and yesterday said it intended raising its capital by another 50 per cent over the next five years.

Mr Alfonso Boscama, He is trying to draw friendly shareholders on to the board to help fend off the newcomers.

Mr Lawrence Banks, head of corporate finance at Robert Fleming, said the bank would finance the purchase of the shares from its capital, which exceeds £250m.

Gorbachev refuses to hit at critics

The key issue for the Soviet leader will be the election of a new Central Committee, the 300-person body that sets Soviet policy. Replacing conservatives with his own supporters is his main goal.

UK bank may be left with big stake in client's takeover target

BY ALICE RAWSTHORN IN LONDON

A SUBSTANTIAL shareholding in Thomas Robinson, the UK merchant bank, is being offered in a takeover bid for the John Crowther Group, could be left with the bidder's adviser, Robert Fleming, the London merchant bank, because of the bank's failure to complete the sub-underwriting for the bid.

Six weeks ago Fleming, which is not Robinson's regular merchant bank, approached the company and suggested Crowther, one of the biggest carpet and clothing companies in the UK, as a takeover prospect.

Mr Lawrence Banks, head of corporate finance at Robert Fleming, said the bank would finance the purchase of the shares from its capital, which exceeds £250m.

World Weather table with columns for location, temperature, and weather conditions.

US prime rates increased

Continued from Page 1

ment. Their strategy has rather been to build up cash and put it into the money market.

range yesterday as attention remained focused on potential demand for the Treasury's stock.

The next set of US trade figures is due on Tuesday and another big shortfall would strengthen the view that another rise in US interest rates is necessary to reduce domestic demand and so achieve a significant cut in the deficit.

INTERNATIONAL APPOINTMENTS

West German DIHT elects new president

THE FEDERATION of German Industry and Trade (DIHT), West German equivalent of the British CBI (Confederation of British Industry), has named Mr Hans Peter Stihl as its new president.

Mr Stihl, 55, was elected by the general assembly of the DIHT, whose members include delegates from all 69 Chambers of Industry and Commerce in the Federal Republic of Germany. He succeeds Mr Otto Wolff von Amerongen, who held the office for 19 years.

Peter Stihl is the president of Andreas Stihl, a world leader in the manufacture of chainsaws and other power tools, employing over 5,000 people. His international group includes seven production centres in West Germany, with others in the US, Brazil, Australia, Switzerland, and 15 subsidiary sales and marketing organisations worldwide.



Mr Hans Peter Stihl
Brazil, Australia, Switzerland, and 15 subsidiary sales and marketing organisations worldwide.

including a UK operation which has been established for 10 years in Woking, Surrey.

The DIHT is based in the West German capital of Bonn, and is the umbrella organisation of all Chambers of Industry and Commerce representing West German industry at home and abroad. As president, Peter Stihl will be a key spokesman of West German industry.

To represent its foreign interests, the DIHT has Chambers of Trade in 40 countries. On the domestic front, it is constantly in touch with the Federal German Government and Parliament. It also has a say in drafts for parliamentary Bills. In addition, it pursues the concerns of West German industry within the European Community.

Shearson names head of merchant banking

SHEARSON LEHMAN Hutton, controlled by American Express and challenging Merrill Lynch for top position in the US securities industry, has named vice chairman Mr Peter J. Solomon to head the company's new merchant banking division, reports Reuter in New York.

The new division will manage Shearson's principal investments as well as oversee its merchant banking activities for corporate clients.

Mr Solomon had been co-chairman of Shearson's investment banking division with Mr Sherman R. Lewis Jr, who will now assume complete responsibility for this division.

Managing directors Daniel J. Good, David G. Offenberg, William M. Pope Jr, James A. Stern and Alan H. Washkowitz have joined the merchant banking division. It will act as general partner for the newly created Shearson Lehman Hutton Merchant Banking Partnership, which will make long-term equity investments, primarily in leveraged buyout transactions. The division will also have responsibility for the management of Shearson's bridging loan business, and other uses of the firm's capital designed to help corporate clients meet strategic objectives.

Bank of America's World Banking unit chief to resign

THE California-based banking group BankAmerica stated that Mr Robert Frick plans to relinquish his post as head of Bank of America's World Banking Group on June 1, and as vice chairman and a member of the board of the parent BankAmerica with effect from September 30, Reuter reports from San Francisco.

Mr Lewis Coleman, currently vice president in charge of the Capital Markets unit, will succeed Mr Frick as vice chairman and World Banking Group head.

"I have had a longstanding promise to myself to make a lifestyle change when I reached 50. I am in my 50th year now and would like to experiment with other areas of interest," Mr Frick said. He will continue as an active member of management and the board through to the end of the third quarter to ensure a smooth transfer of management responsibilities.

A 23-year veteran of the company, Mr Frick has served as the bank's chief of management and its principal wholesale banker. Mr Coleman will become a member of the bank's managing committee and will continue to head Capital Markets for an interim period. He joined Bank of America in March, 1986, as a senior credit officer for the World Banking Group, and was named head of Capital Markets in 1987. He came to BankAmerica from Wells Fargo, where he had been executive vice president and chairman of Fargo's credit policy committee.

THE DIRECTORS of Union Bank of Switzerland, one of the "Big Three" Swiss banks, named the following executive vice presidents full members of the UBS Executive Board: Mr Stephan Haeringer, Dr Hubert Huschke and Urs B. Rinderknecht.

Dr Ulrich Grete, head of UBS's principal Capital Market Financing Department, has been promoted to executive vice president and associate member of the Executive Board with effect from July 1. He also assumes on this date management of the capital market financing, securities sale and trading (worldwide) sector.

US investment banking and brokerage concern Bear Stearns has appointed Mr E. John Rosenwald Jr vice chairman of the holding company and its brokerage subsidiary, and Mr James E. Cayne president. Both are new posts.

They had both been members of the office of the president since October, 1985, and the office has now been eliminated. Mr Alan C. Greenberg remains chairman and chief executive officer.

Mr Rosenwald and Mr Cayne remain members of the executive committee and senior managing directors of the brokerage unit.

NYSE appoints international relations executive for Europe located in Paris

THE NEW YORK Stock Exchange has named Mr Alain Yves Morvan vice president, international relations.

Mr Morvan, 48, is a French citizen and will be located in Paris. He will represent the NYSE and coordinate its activities throughout Europe.

He will act as liaison with the Federation Internationale des Bourses de Valeurs (FIBV), the international association of stock exchanges, in its work worldwide. In addition, he will work with the NYSE's European Advisory Committee. Mr Morvan will report to Mr Gerald F. Clark, NYSE vice president, government relations.

Prior to joining the NYSE, Mr Morvan was director-general of the Paris-based American-European Community Association (AECA) International for more than three years. The AECA is a forum for dialogue between both European and US business and government leaders.

From 1987 to 1984, Mr Morvan worked for the United Nations Development Programme (UNDP), the central United Nations fund for overall technical assistance. During his tenure, he was involved with fundraising, relations with member governments, and programme management and operations.

From 1987 to 1984, Mr Morvan worked for the United Nations Development Programme (UNDP), the central United Nations fund for overall technical assistance. During his tenure, he was involved with fundraising, relations with member governments, and programme management and operations.

From 1987 to 1984, Mr Morvan worked for the United Nations Development Programme (UNDP), the central United Nations fund for overall technical assistance. During his tenure, he was involved with fundraising, relations with member governments, and programme management and operations.

AUDIT MANAGER £30,000-£35,000 City	Medium sized financial services institution seeks an internal audit manager to run a small team conducting operational style business reviews. Aged 28-35 applicants should have financial services experience and developed computer skills. This important position will involve direct reporting to US parent company. Ref: JPB 003
CORPORATE FINANCE £25,000 + bits City	Several of our most prestigious clients within the merchant banking sector require dynamic young chartered accountants for exciting positions in corporate finance. An exemplary academic record together with first-time passes and an ambitious, confident personality are essential requirements for these challenging roles. Ref: AC.006
FINANCIAL MANAGEMENT £25,000 + bits Berkshire	Recent promotion has necessitated the early appointment to this blue-chip FMCG company of a young graduate accountant with outstanding career potential to join this key financial planning department. Involvement in profitability studies and business planning will give you early decision making responsibilities. Rewards, deservedly high. Ref: AN.250
PROPERTY SERVICES £24,000 City	High profile financial services organisation, is recruiting a management accountant for its property advisory division. Ideal candidates will be graduates, and CIMA qualified with financial planning and investment appraisal experience. Responsibilities will include monthly control reporting and establishing new systems techniques for the reporting function. Ref: GS.131
FINANCIAL ACCOUNTANT £23,000 + Car Berkshire	Renowned service group requires a qualified accountant to take responsibility for a varied and progressive role. Initially responsible for group consolidations, the development of accounting policies and procedures as well as project work the position is likely to lead to fine positioning in the medium term. Ref: AN.20
FINANCIAL CONTROLLER £22,000 + Car S. London	A rapidly expanding property development company wishes to recruit an ACA with property/construction experience to lead the accounting functions. The role provides considerable autonomy and applicants should show willingness to become involved in commercial decision making and have strong leadership qualities. Ref: JPB.356

HUDSON SHRIBMAN
THE COMPLETE FINANCIAL SELECTION SERVICE
Vermon House, Sicchan Avenue, London WC1A 2QH Tel 01-831 2373

Accountancy Appointments

Financial Director (designate)

c.£30,000 plus executive car
Leeds

Our client, a subsidiary of a successful public group, is a long established, highly regarded engineering company with sales of £12m. The company is now poised to move into a more dynamic phase of growth and wishes to appoint an energetic and commercially minded Financial Director (Designate). Working closely with the Chief Executive, the successful applicant will be required to participate in all the commercial affairs of the company as well as taking responsibility for ensuring that financial resources

are properly planned and controlled. One of the initial key objectives will be to develop modern financial management systems including improved monthly management reporting and more effective costing routines.

Applicants must be in possession of a major accounting qualification with at least five years senior level experience ideally in a batch and contract manufacturing environment. They must be able to demonstrate commercial achievement coupled with

a detailed knowledge of costing and production systems. The commencing salary will reflect the importance of this appointment and will be negotiated in the region of £30,000 per annum plus appropriate benefits.

Please send a comprehensive CV in confidence to: Alan Witrick, Executive Selection Division, Price Waterhouse Management Consultants, 9 Bond Court, Leeds LS1 2SN

Price Waterhouse

FINANCIAL CONTROLLER

c.£26,000
Discretionary Bonus
Car
Manchester

The Company

is a subsidiary of a major US multi-national involved in the production of industrial and food chemicals with a worldwide network of manufacturing, technical and sales centres. The Group has an enviable track record of growth, both organic and by acquisition.

The Position

The Company seeks a commercially orientated Financial Controller to join the Management Team, following promotion overseas of the present incumbent. In addition to responsibility for the finance function, the Financial Controller will play a key role in influencing the direction of the business, and will report to the Managing Director. This is an exceptional opportunity for a young Accountant seeking a career move within a major multi-national.

The Person

The individual should be as exceptional as the prospects, and applications are invited from qualified Accountants (ACA, ACMA, ACCA) preferably aged 27-32, who can live up to the challenge represented by this key position in such a progressive organisation. A history of achievement in the profession or industry is a pre-requisite.

The Package

The salary and benefits package will be dependent upon the ability and experience of the individual, and will include a car and participation in the discretionary management bonus scheme. Generous relocation arrangements will apply where appropriate.

Please apply directly to Anita Allison at Robert Half, Freepost, Peter House, Oxford Street, Manchester M1 8DX. Telephone: 061-236 0101, evenings 045-77-3644.

Financial Recruitment Specialists
London · Birmingham · Windsor · Manchester

Recently Qualified INTERNATIONAL SECURITIES

£23,000+Car+Benefits

Our client is one of the world's major Financial services groups with substantial interests in Europe. They are now seeking to upgrade the quality of Product reporting and support in their London operation, thus creating a challenging opportunity for a young ambitious Accountant.

Working within a small team, you will be responsible for the daily reporting and analysis of trading results for all fixed income securities, including gilts and arbitrage. This involves considerable liaison with dealers and trading management.

Candidates will be young ambitious Chartered Accountants (aged 24-28) able to display a high level of analytical and conceptual ability with sound PC based systems experience, self motivation and initiative. They must also have strong technical

and communicative skills and be able to function equally well on their own and within a team environment.

Future career opportunities are excellent. This firm is dedicated to the recognition and reward of achievement.

For further information, please telephone or write, enclosing full career details to Martin Krojenski, Firth Ross Martin Associates, Wardgate House, 59a London Wall, London EC2M 5TP. Telephone: 01-628 2441.

Firth Ross Martin Associates Ltd.



Taxation Accountant

London W1

£ Attractive

International Thomson is a leading information and publishing and leisure travel company with strong interests in oil and gas. The group has an excellent record of success and growth and now requires a further tax specialist to assist in the future development of its tax department.

International Thomson with its diverse international interests and dynamic approach to business problems can offer a challenging and forward thinking environment to further develop your skills gained over the last three years.

Ideally, candidates should be qualified accountants with some experience in

corporate tax and a strong desire to enhance this within a large commercial organisation.

Candidates will possess strong interpersonal skills and be able to act with initiative, enthusiasm, and have the ability and social disposition to negotiate and liaise with line financial management.

For further information please contact Chris Nelson on 01-831 2000 (evening and weekends 01-785 6545) or write to him at the

Taxation Division, Michael Page Partnership, 39-41 Parker Street, London WC2B 5LH.

Michael Page Partnership

International Recruitment Consultants
London Bristol Windsor St Albans Leatherhead Birmingham Nottingham
Manchester Leeds Glasgow & Worldwide

ALPS

RECRUITMENT CONSULTANTS GROUP

3 London Wall Buildings, London Wall, London EC2M 5PU
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374 Fax No. 01-256 8501

An exacting and demanding appointment - scope to accrue considerable capital through stock options



FINANCIAL DIRECTOR

LONDON

RAPIDLY EXPANDING GROUP OPERATING IN A WIDE RANGE OF SERVICES IN THE U.K., U.S.A. AND AUSTRALIA

This new appointment calls for candidates, aged 35-45, who are likely to have acquired an M.B.A. and certainly qualified either as a C.P.A., F.C.A., A.C.C.A., or A.C.M.A. A record of 3 years practical successful international acquisition experience from identification to completion is essential. The major part of the brief will require the successful candidate to spend 50% of his/her time on acquisitions, valuations, negotiations to completion. The remaining responsibilities will cover the control and direction of financial strategy, the normal management accounting and financial accounting procedures to tight deadlines for up to 10 companies. Up to 50% travel is necessary with the main focus overseas in the U.S.A. A high level of motivation, the ability to 'spot a point' and contribute significantly to the Group's successful and rapid growth is key. Initial salary negotiable, £50,000 - £100,000 + car and pension. Applications in strict confidence under reference FD157/FT, to the Managing Director:

ACCOUNTANCY & LEGAL PROFESSIONS SELECTION LIMITED, 3 LONDON WALL BUILDINGS, LONDON WALL, LONDON EC2M 5PU.
TELEPHONE 01-588 3588 or 01-588 3576. TELEFAX 01-256 8501.

Financial Directors

Home Counties to £40,000 + car + benefits

This flourishing plc, a dynamic force in the food and distribution sectors, is looking to achieve further substantial growth both organically and through acquisitions.

Strategic plans to move the business forward and take full advantage of the enormous development potential creates two new exciting and highly-visible roles offering opportunities to contribute significantly to the Group's future success.

Joining our subsidiary companies in the Northern and Southern Home Counties, you will work alongside the Managing Director to ensure bottom-line profitability, and also the effective management and development of financial

systems to meet the needs of a fast expanding and rapidly changing environment.

Probably in your 30s-40s, you must have an impeccable accounting background, excellent business acumen, and sound management and interpersonal skills, along with the ability to take a high profile and make a major impact on the business.

The negotiable salary is backed by first-class executive benefits. Please send full cv which will be forwarded to our client unopened. (Address to our Security Manager if listing companies to which it should not be sent.) Ref: T5923/FT.



PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6660 Telex: 27874

Partnership Potential?

Corporate Special Services Department

We are one of the UK's (and the world's) largest firms of accountants and management consultants, with 26 offices in this country and a total of 488 offices worldwide.

We have an impressive record of expansion and an equally impressive client base. In our London Corporate Special Services Department the increase in business has been exceptional. Last year it was 30%. It should be at least as much this year.

To play an active part in the development of the department's activities and to maintain its momentum of growth we need urgently to appoint two, perhaps three, first-class managers. They will of course be qualified accountants, they will have top-level experience, probably with one or more of the big eight accountancy firms, and, above all, they will be able to show an outstanding record of success in handling all kinds of insolvency, corporate recovery, investigations and liquidity advice work.

If you are in this category, are keen to join a well-established but highly dynamic department and, most importantly, if you feel you have partnership potential, then we should meet.

At Touche Ross we will provide the opportunities, the responsibilities, and the remuneration package (including, of course, company car) that reflect the importance of this career move.

If you would like to find out more about these opportunities please call Anne Clinton on 01-405 8799. Alternatively, please write, enclosing full details of your career to date, to Anne Clinton, Human Resources Manager, at the address below.

Touche Ross
33/34 Chancery Lane, London WC2A 1EW.
Telephone: 01-405 8799.

ABACUS

QUALIFIED A.C.A. TO £25,000
For major city stockbrokers

Candidates should be 25-28 years old with a financial services background and preferably have qualified with one of the 'Big Eight' firms.

PART QUALIFIED MANAGEMENT ACCOUNTANT C £17,500

Previous Financial Services Sector experience and a thorough working knowledge of computerised financial systems essential to enable the successful candidate to produce financial and management accounts for this city stockbrokers. Study assistance provided.

Please contact Mr D P Green either by telephone or in writing enclosing a full Curriculum Vitae. Total discretion assured.

Financial Recruitment
01-930 1475
11 CHANCERY CROSS RD, LONDON WC2E 9EP

ACCOUNTING FOR CHANGE

YOU KNOW THE SCORE NOW PLAY THE GAME.

London/Home Counties to £40,000 + Executive Car + Extensive Benefits

As an Accountant working in a sophisticated finance or accounting environment you will already have achieved a position of considerable responsibility and autonomy. Aged in your late 20's or 30's you will undoubtedly have attained a number of significant achievements to your credit.

But have you ever considered that there is still something missing in your career? If you have a prestigious independent I.T. consultancy could provide the answer.

As a renowned multinational Corporation, they can offer enterprising specialists, with proven analytical skills and a knowledge of computerised accountancy and finance systems, the opportunity to leave the sidelines and enjoy real business development involvement.

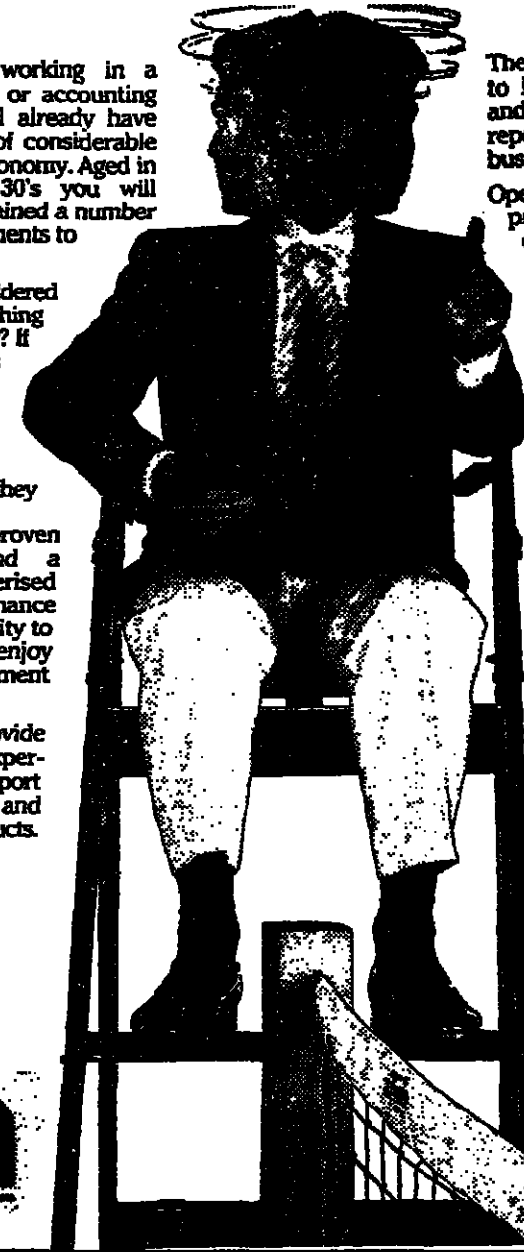
Your brief is to provide specialist marketing expertise or consultancy support for a range of new and advanced business products.

The products are specifically designed to improve the efficiency, flexibility and integration of major I.T. driven reporting systems across a variety of business sectors.

Operating at the highest level with professionals from financial and other disciplines often at Board level, this is an opportunity to work in a highly sophisticated, entrepreneurial Corporation enjoying a spectacular and sustained record of international growth.

Scope for career advancement is virtually unlimited in view of the company's track record and future development plans. This will undoubtedly offer movement into a variety of new and existing markets both in the UK and overseas.

For further information please telephone either Charles Austin or Philip Price ACA or write including a full CV to Mervyn Hughes International Limited, Management Recruitment Consultants, 63 Mansell Street, London E1 8AN. Tel: 01-488 4114.



mh

Corporate Audit Manager - Europe

Northern Home Counties c£35,000 + Car + Substantial Benefits

Our client is the European Headquarters of a US multinational high quality engineering company - the market leader at the leading edge of its technology. Worldwide turnover exceeds \$2 billion whilst Europe continues to grow very rapidly with a current turnover of nearly \$350 million. With over 25 manufacturing plants and 5000 people, the European organisation is large, diverse and complex and presents a great deal of challenge and opportunity.

The corporation is now seeking to appoint a well experienced Audit Manager to direct, organise and actively participate in the corporate audit function in respect of the European sphere of operations.

You will report to the Director of Internal Audit based in the USA, with an additional functional reporting line to the UK based Finance Manager, International. You will be responsible for a small team of auditors and for the planning and performance of operational and financial audits. Additional responsibilities will include liaison with operating Vice Presidents, Group Finance and the corporation's external auditors.

The successful candidate will be a qualified accountant, probably aged 32-40 with experience in the following key areas:

- * US multinational accounting requirements
- * Sophisticated IBM based MIS
- * Manufacturing systems e.g. MRPII
- * Staff supervision in the international audit field.

Computerised audit systems experience would be an added advantage.

Language skills in German and/or French would be very beneficial, whilst a significant travel element (approx. 50%) is also closely associated with performing a truly European role.

The corporation is looking for an upper quartile person who is "shirt sleeves" and flexible, in style and approach. A high level of professional skill and integrity is required together with an ability to respond to a dynamic, positive, open style of management.

In addition to a basic salary, the compensation includes a fully expensed car, bonus and a full relocation package.

If you find this challenging environment and opportunity stimulating, please submit your cv immediately to:- Wayne Thomas, Executive Division, Michael Page Partnership, Kingsbury House, 6 Sheet Street, Windsor, Berkshire SL4 1BG.



Michael Page Partnership

International Recruitment Consultants
London Bristol Windsor St Albans Leatherhead Birmingham Nottingham
Manchester Leeds Glasgow & Worldwide



Management Accountant

Berkshire

Package £20,000 + car

As a highly successful mortgage specialist, we have more to offer!

With assets in excess of £1 billion, we are committed to planned expansion and growth as a subsidiary of a major and progressive financial services Group. As a result we have recently moved to a prestigious new office location in the town centre.

In this senior role which has arisen due to internal promotion, you will be expected to make a significant contribution to the development of improved management information systems. You will also be required to co-ordinate the preparation of company forecasts and budgets and to provide financial input to the development of new products and services. Reporting to the Financial Controller, you will be responsible for a small, well-motivated team and will provide direct support to the Company's management. A qualified accountant, aged 25-35, you should have gained substantial relevant experience in a similar environment, and possess excellent man-management and communication skills.

In return, we offer a highly competitive salary and an excellent range of benefits which include BUPA, mortgage subsidy, non-contributory pension and life assurance.

If you feel you could bring an exceptional standard of professionalism to this post, please write enclosing brief CV details and telephone number to: Jennie Thorn-Davis, Personnel Manager, Bank of Ireland Home Mortgages Limited, Bridge Street Plaza West, Bridge Street, Reading RG1 2LZ.

Bank of Ireland Mortgages

Chief Accountant

CENTRAL LONDON

£25,000 negotiable, choice of car and full benefits package

Our client is a major subsidiary of one of the UK's best known International companies. Its management team, acknowledged for their effectiveness, is totally committed to the continued and profitable growth of their business.

Our brief is simple. We are looking for an individual with ambition, exceptional competence, sustained application to the role requirements and that necessary touch of humour to join the team. It could well be you.

Professionally qualified, you are most likely to be around thirty. You will have already demonstrated that you are an above average performer. You are keen to manage a finance function and thereby demonstrate your abilities, technical and managerial, to create a level of service that exceeds normal expectations.

The post embraces the usual raft of activities including supervision and production of statutory accounts, monitoring the effectiveness of accounting and reporting systems and the management of cash flow. The responsibility for the management and development of the computer systems will also be yours.

Beyond this there is a very real requirement for your involvement, together with the Finance Director, in the analysis and financing arrangements of international projects; involvement that will greatly enhance your skills and experience for the future.

If your background and ambition approximates to that described above then you should, without delay, send full written details of your career to the Company's adviser:

Gareth Williams, White Lodge Chambers, St George's Road, Bickley, Bromley BR1 2LD.



RILEY WILLIAMS ASSOCIATES

CORPORATE CONSULTANCY SERVICES

MANAGER, INTERNAL AUDIT

Cotswolds £25,000 negotiable + car + benefits

Eagle Star, a leading British composite insurance Group and major force in the world of international financial services is currently seeking a high calibre accountant to join its executive management team in the Group's internal audit department. The company's continuing growth and development into new markets has created clear opportunities to grow with the company.

Due to internal promotion an experienced accountant is now required to assist in the development, implementation and control of Group policies as well as motivate, monitor and manage the activities of the department.

We would like to hear from qualified accountants with large company audit experience at a supervisory level, possibly gained with a major accounting firm. You are likely to be in your late 20's, have an understanding of insurance principles and practices and possess strong inter-personal, communication and management skills. In addition, we would expect you to demonstrate an abundance of enthusiasm and ambition.

Salary is negotiable around £25,000 plus a car, and the highly attractive benefits package will include a preferential rate mortgage, BUPA, PHI and non-contributory pension scheme. Generous relocation assistance to this delightful area is also offered.

For further details please contact our Selection Advisers, in complete confidence, on 01-686 6600. Alternatively, send your full cv quoting Ref: 1247, to:- Monique Gelson, Thompson Associates Ltd., Compton House, 20A Seisdon Road, South Croydon, Surrey CR2 6PA.



Eagle Star
INVESTMENT · INSURANCE · PENSIONS

Face the future with confidence.

Computer Audit Manager

North-West

to £28K plus car

In today's increasingly competitive and dynamic marketplace, financial organisations are constantly faced with new challenges requiring specialist skills. However, Girobank's foresight and commitment to excellence in all spheres of operation have led to tremendous success and growth.

It is within this innovative environment of technological change that the post of Computer Audit Manager arises. This senior appointment requires the professionalism of a qualified Accountant combined with the experience of a Computer Auditor.

The challenge will be to plan, undertake and manage reviews of internal controls relating to computing throughout Girobank, to ensure that the security and effectiveness of the systems are and remain appropriate to our changing needs. In conjunction with managers throughout the bank the Computer Audit Manager will provide the

leadership to ensure that recommendations for improvement are satisfactorily implemented.

Candidates must be fully conversant with data processing techniques, state-of-the-art developments in IT and security control methodologies. Good commercial perception must be coupled with the ability to communicate at all levels of management.

The position is based at Girobank's Head Office in Bootle close to a number of pleasant residential areas. A generous relocation package will be available if appropriate. The salary and benefits package is designed to reflect the importance of this senior post.

If you are interested, please send a cv, detailing career and salary progression to date to: Paul Wildes, Management Appointments Manager, Girobank plc, Bridge Road, Bootle, Merseyside, G1R 0AA. Tel: 051-566 2457.



Girobank



Have you the vision and foresight for financial management consultancy

in 1988, in 1992, and beyond?

London **to £38,000 + car**

Some of the challenges facing business managers in today's - and tomorrow's - highly competitive international environment are:

- ◆ developing new strategies
- ◆ launching new products and services
- ◆ making better use of technology
- ◆ improving information systems
- ◆ improving cost and resource management.

As a highly successful financial manager, you are challenged to become a part of that process by using your creative business skills as a consultant. You will be responsible for advising blue chip industrial and commercial clients across the widest range of business and financial management issues.

This is a high profile role, providing an exceptional opportunity for those with vision and foresight. You will be a graduate accountant aged 28-33, able to demonstrate outstanding achievement throughout your career. Prospects are exceptional in this high growth international consultancy and could well justify existing consultants making the move from other major consultancies.

In the first instance, in the strictest confidence, please contact Trevor Atkinson FCA, enclosing a detailed CV and quoting reference no. 8539.

MANAGEMENT CONSULTANCY RECRUITMENT DIVISION

DOUGLAS & LLAMBIAS

DOUGLAS LLAMBIAS CONSULTANCY SERVICES, 410 STRAND, LONDON WC2R 0NS
TELEPHONE: 01-836 9501

GROUP FINANCE DIRECTOR

Preparing for the USM Up to £35,000

This small and profitable group requires a Finance Director to join a senior management team preparing for a listing on the USM. The group's recent successes have been based upon manufacturing and distributing a range of engineering products to markets in the UK and throughout the world. Reporting to the Chief Executive, the Finance Director will be responsible for the direction of the group's financial affairs and advising the management of the group's autonomous subsidiaries on business and financial decisions. Key tasks will include working capital management, budgeting systems development and group company secretarial matters.

A qualified accountant, aged around 35-40 is required with the ability, stature and experience needed in a quoted company likely to acquire further subsidiaries in the short term. Specific exposure to engineering manufacturing and distribution is also sought, coupled with the personal and technical skills needed in a small group. Location: West Berkshire. Remuneration package consists of bonus, car, relocation assistance and other substantial benefits, including share options. Please reply in confidence, enclosing career details and quoting reference 167 to C. T. Garcia.

KPMG Peat Marwick McLintock

Executive Selection and Search
15 Pembroke Road, Bristol BS8 3BU

CORPORATE FINANCE

a challenging role in a fast expanding merchant banking group

C. London **package from £30,000**

Only occasionally does an opportunity occur to join an established company with an enviable reputation in the raising of equity capital.

Aged late 20s/early 30s with relevant experience gained within the corporate finance department of a major firm of stockbrokers or accountants, you should now be seeking to take a leading role in the drafting of prospectuses and also to act as a non executive director for client companies as well as being flexible enough to take on more mundane but equally essential tasks in this well qualified team. You will also be expected to review business plans.

You will report to and on occasions deputise for the Chief Executive of the corporate finance division and work closely with clients and professional advisers from the initial review of financing proposals through to presentation of business plans to development/venture capital institutions and prospectuses to the public and The Stock Exchange. Clients are of all sizes, new and established, creating employment opportunities and could be seeking overdrafts or institutional finance through to flotations and agreed takeovers.

The package is flexible and could be negotiable in excess of £30,000 for a well experienced candidate.

Please write, enclosing a career/salary history and daytime telephone number, to John P. Sleigh FCCA quoting reference J/721/DF.

LLOYD MANAGEMENT Selection Consultants 125 High Holborn London WC1V 6QA 01-405 3499

LLOYD MANAGEMENT

AN UNUSUAL OPPORTUNITY FOR A SHARP-THINKING FINANCIAL ANALYST

to £25,000 pa
plus valuable benefits package
City

Our client is one of the UK's largest financial services groups, with a unique reputation as one of the most respected names in the London financial markets. A new position for a talented Financial Analyst has been created within the holding company of a rapidly developing sector of their business which operates in both UK and International markets. This will be a highly visible role with opportunities to deal with directors and senior management. You will be responsible for carrying out analysis through:

- the monitoring of subsidiary company performance
 - reviews of strategic plans, forecasts and budgets
 - financial appraisals of both existing and proposed business operations
- We seek a graduate qualified Accountant, probably aged 25-35, with a combination of strong technical expertise and well-developed interpersonal skills. These qualities should be allied to a proven ability to communicate effectively, an incisive intellect and a questioning approach. Your financial experience should include a number of years in an analytical role, ideally, but not essentially, within the finance sector. To reflect the importance of this role, a salary of the order of £25,000 p.a. is offered, plus a comprehensive range of valuable finance sector benefits including low-interest mortgage, non-contributory pension etc. Prospects for advancement are excellent with opportunities throughout the organisation. In the first instance, please telephone Steve Gardner on 01-436 7671 to discuss the position, or send your CV to him at Stafford Long & Partners Recruitment Ltd., 17-19 Foley St., London W1P 7LH, listing any companies to whom you would not wish your application forwarded. Please quote reference 512L.



MANAGEMENT & FINANCIAL ACCOUNTANTS Papua New Guinea

£19,000 net of tax + substantial benefits

Booker Agriculture International (BAI) is a leader in the provision of agricultural management, technical and consultancy services throughout the world. One of the major sugar estates established and managed by BAI is Ramu Sugar Limited in Papua New Guinea.

Both positions report to the Finance Controller. The Financial Accountant will be responsible for financial accounts and reports, the payroll, cash, debtor and creditor functions. The Management Accountant will be responsible for the analysis and reporting of the cost of Company activities and operations with the overall objective of optimising their cost effectiveness.

Candidates, aged 28+, must be ACA, ACCA or ACMA and be PC literate. Previous experience of working in a developing country would be a great advantage.

Appointments will be on pensionable terms for an initial term of 10.5 months followed by 6 weeks paid home leave, with the possibility of international transfer thereafter. Benefits include:

- Secondary education allowances
- Clothing and disturbance allowances
- Estate primary school
- Car allowance
- Children's holiday visit passages
- Excellent sporting and recreational facilities

Please write with a full curriculum vitae to: Nicola Moody-Stuart (Miss), Personnel Adviser.

BAI BOOKER AGRICULTURE INTERNATIONAL LTD.
Masters Court, Church Road, Thame, Oxon OX9 3FA
Tel: Thame (084421) 4600.

A direct line to the executive shortlist

To secure the best appointments a senior level needs more than good advice, accurate objectives and succinct presentation. InterExec not only provides career advice, but also a unique service to bridge the critical gap between counselling and the right job. Why waste time and money on unproductive letters? InterExec clients do not need to find or apply for appointments. Over 50 full-time staff with over 5,000 unadvertised vacancies p.a. enable InterExec to offer the only confidential Executive placement service. What is such unproductive day costing you?

For an exploratory meeting without obligation, telephone InterExec on 02-800 5040/7. A member of the Career Development & Outplacement Division

Landscape House, 29 Chancery Road, London WC2H 0ES.



FOR ACCOUNTANTS

SUCCESSFUL JOB SEARCH

ARE YOU A SENIOR EXECUTIVE SEEKING A NEW FINANCIAL APPOINTMENT?

We are the professionals who can advise and help you. Since 1980, Connaught's executive clients have accessed unadvertised vacancies, obtained interviews, found the right jobs and reduced job search time. Contact us for an exploratory meeting. It is without charge and we will tell you if we can help and at what cost: it may be easier than you think. Experts enquire about our special service.

London: 32 Saville Row, London W1X 1AG. Tel: 01-734 3879 (24 hours).
Bristol: Manges House, 78 Queens Road, Clifton BS8 1QL. Tel: 0272-226933.

Connaught

Finance Manager

Home Office Supply and Transport Branch

The Home Office Supply and Transport Branch, based in Corby, Northants, determines policy on and procures food, clothing and equipment for use in prison; it provides a warehousing, and distribution service for the prison service and for some other parts of the Home Office; and it exercises general oversight of all operational vehicles, procuring vehicles and transport services.

The position of Finance Manager - a new appointment - has responsibility to the director for:

- development and implementation of improved management information systems, in particular a comprehensive costing system and memorandum trading accounts;
- co-ordination and management of budgetary planning and control;
- management of accounting activities and administrative support services including the Branch's stock management mini-computer system;
- advice to other groups of the Branch on financial evaluations, costings and investment appraisals, including supplier evaluation.

Applicants should hold a professional management accounting qualification, have considerable experience of micro and mini computer systems and be capable of applying these abilities quickly and effectively in a developing and changing organisation.

Salary will be in the range: £16,700 - £20,200 p.a.

The appointment will be for 3 years initially. A secondment could be arranged for a suitable candidate. Relocation assistance may be available.

For an informal discussion contact D. J. Hardwick on 0536 202101 (ext: 294) or for an application form telephone Miss P. Ward on 01-211 7458, or write to Recruitment Section, Establishment Division 4, Room 817, Abell House, John Islip Street, London SW1P 4LH.

The closing date is 27th May 1988.

The Home Office welcomes applications from suitably qualified people regardless of ethnic origin, sex or disability.



Stores Operation Accountant

£20,000 + car West London

In the electrical retail market, one company - Comet - really stands out from the crowd. Already enjoying a turnover in excess of £500 million, this company is now set for further high street and superstore expansion.

In this influential role of Stores Operation Accountant, you will be involved in a variety of financial activities. Your brief will be to improve the profitability of both new and existing retail outlets, by creating awareness of company finance and budgetary policies amongst retail operations management. Your responsibilities will include branch targeting and control, covering all aspects of the profitability and running costs of each branch, together with the identification, development and implementation of projects to improve branch profits.

Probably in your mid-twenties to thirties, and either a part or fully qualified accountant, you should have a successful record in financial management in a retail or service industry, plus a sound knowledge of computerised accounting systems. Highly developed communication skills are essential, along with the necessary qualities to motivate and influence others.

A salary of £20,000 is offered plus quality car. Career prospects are excellent. Full relocation assistance will be given where appropriate. Please forward full CV to Joseph Duncan, PER, Management Selection, 4-12 Regent Street, London SW1Y 4PP.

COMET

PER Management Selection

FINANCIAL PLANNING MANAGER

West London

AGE 32-37

To £38,000 + Car

Following the successful restructuring of worldwide activity, this leading US high technology group commands a respected position within this highly competitive market sector.

In order to sustain their impressive performance they are now seeking to appoint a key individual to strengthen their UK senior management team. This high profile role, reporting to board level, combines the planning and compilation of strategic and operational objectives with the identification of key business issues.

Leading a professional finance team, the ideal candidate is likely to be a Chartered Accountant currently holding a management position within a 'blue chip' organisation. The demands of this highly challenging position will require a perceptive and proactive outlook, together with the necessary skills to communicate effectively at all levels. Knowledge of systems applications will be useful as the individual will be expected to participate in the enhancement and development of management information systems.

For more information please contact James Hyde by telephone on 01-437 0464, or write enclosing a detailed CV to the address below.

ROBERT • WALTERS • ASSOCIATES

RECRUITMENT CONSULTANTS
Queens House 1 Leicester Place Leicester Square London WC2H 7BP
Telephone: 01-437 0464

Group Company Secretary

West End

Substantial five-figure salary

Reporting to the Chairman, act as Secretary to the Board, take responsibility for the Company's legal affairs, compliance with Companies Acts, Stock Market Regulations, administration of pension and share option schemes, and all Company insurance.

The Company
An extremely sound and well managed property group, with interests spanning property investment, development and house building. Investment properties valued at £120m. Portfolio comprises offices, warehouse/industrial, and retail. All profits have shown consistent progress over 10 years.

Candidate Profile
You will be ideally aged 35 to 50 years. Appropriate professional qualification. Minimum 3 years' experience as Company Secretary of a Plc with a minimum £20m market capitalisation, or Assistant Company Secretary of £100m-plus capitalisation. Extensive experience of property matters, and ideally — taxation. Knowledgeable in the raising of finance by means of share placement, issue of debentures and syndicated bank loans.

Reward Package
A competitive basic salary + share options (fully negotiable to attract the right candidate) + executive car + non-contributory pension + life insurance + BUPA + other fringe benefits.

ACT NOW: The appointment is a matter of urgency, due to the tragic death of the previous incumbent, who had been with the Company for 18 years.
Telephone or write with your full CV, plus career profile, to the Group's adviser, Ian Hamilton MBA: Merton Associates (Consultants) Ltd, Merton House, 78 Glaston Way, London W1P 5LE
(Telephone 01-388 2051 or Telex 01-388 5324)

Financial Services - City

ACA to 33
Package to
£35K.+ car

Our client, one of the world's leading international banks, is seeking to recruit an accountant, experienced in financial services, for a senior executive position within its specialist Financial Services Audit Department.

The Department, which is based in London, is responsible to an audit committee of the main board for reviewing the worldwide Merchant Banking, Stock-broking, Commodity Broking, Fund Management and Insurance activities of the Group. The work of reviewing and appraising the activities, controls and information systems involves a significant consultancy element.

This is a high-profile and challenging role which requires substantial previous experience in auditing companies in the financial services sector. The successful candidate is likely to be an ACA who is operating at manager level within one of the major accountancy firms or someone with extensive relevant experience in a major financial services company.

Overseas travel content, which is to the world's major financial centres, will be approximately 35%. There are considerable opportunities for progression within the Group.

The package will include generous banking fringe benefits including mortgage subsidy, non-contributory pension scheme, life assurance and BUPA.

Written applications, enclosing an up-to-date CV and indicating any companies to whom you would not wish details to be referred, should be sent to Malcolm Edgell, BSc, FCA at 410 Strand, London, WC2R 0NS, quoting reference 2078.

FINANCIAL & MANAGEMENT RECRUITMENT CONSULTANTS
DOUGLAS & LLAMBIAS
LONDON • BIRMINGHAM • LIVERPOOL • MANCHESTER • ABERDEEN • EDINBURGH • GLASGOW
DOUGLAS LLAMBIAS ASSOCIATES LIMITED, 410 STRAND, LONDON WC2R 0NS
TELEPHONE: 01-836 9501

◆ International Banking Group

◆ High-profile role

◆ International travel



AMBITIOUS ACCOUNTANT

Norwich — about £16,500 pa

Norwich Union is one of the fastest growing insurance and financial services groups in the UK, a market leader and an equal opportunities employer. With an exciting range of new financial products available to the market place, the successful applicant to this new post will have a challenging opportunity to influence decision making and contribute to the continuing profitable growth of the company.

Responsibilities will be to improve the product costing system in this complex multi-product environment, to develop a new budgetary control system and to improve the management accounting systems, information presentation and usage.

Candidates must be qualified accountants with

a minimum of two years' post qualification experience, which may have been gained in industry. A good working knowledge of mainframe and microcomputer based management accounting and information systems is essential.

Success in this key new appointment could prove a stepping-stone for promotion to the highest levels of management.

To apply for this career appointment, write now enclosing a brief cv, to

Miss P D Scott
HO Staff Superintendent
Norwich Union Insurance Group
Surrey Street
Norwich NR1 3NG.

Financial Controller

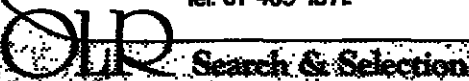
West London to £26,000 + car

This appointment arises within an important subsidiary of a multi-national US/UK corporation involved in providing high-tech services and products around the globe. The division is responsible for the timely and reliable performance of substantial contracts.

You will report to the Finance Director and be responsible for producing monthly management accounts, monitoring cash flow/budget performance, liaising with and producing information for managers throughout the group, handling treasury and taxation matters and such ad hoc projects as may arise.

You must be a qualified chartered accountant who is capable of working under pressure and communicating effectively with both financial and non-financial personnel alike. You should be looking to pursue a career with a major group.

So, please apply by telephone or write with curriculum vitae, quoting reference: 102, to O.L.R. Ltd, 160 New Bond Street, London W1Y 0HR. Tel: 01 409 1371.



Finance and Administration Manager

Cambridgeshire c£25,000 inc. car

Our client is a long established and ambitious firm of architects, interior designers and town planners, one of the largest practices in the Eastern Region undertaking varied commissions throughout the UK.

A Finance and Administration Manager is required who is capable of making a significant contribution to the financial management of the practice.

The successful candidate will join the management team and will be directly responsible for:

- Providing timely and accurate financial and management information;
- Reporting, interpreting and advising on the implications of all financial and management information;
- Developing management information systems;
- The general administration of the partnership.

Ideally applicants will be qualified accountants or chartered secretaries displaying relevant practical experience, aged 30-40, with the ability to install, maintain and up-date computer systems.

Please write with full personal and career details quoting reference CA49 to Andy Swarbrick, Spicer & Oppenheim, Chartered Accountants, Personnel Services, Leda House, Station Road, Cambridge CB1 2RN.



SPICER & OPPENHEIM
A MEMBER OF SPICER & OPPENHEIM INTERNATIONAL

FINANCIAL CONTROLLER

£25k Potential + Car

East of England

Our client is a major engineering company with worldwide interests that has a reputation for the quality of their specialised product range. A first rate opportunity has now arisen which, reporting to the Managing Director, has the total responsibility for all financial matters within a significant business.

The role has considerable scope covering not only accounting, but management services and material procurement. A considerable challenge will also be provided as financial controls and computer based systems need to be improved in order to meet business demands generated by a dynamic management team.

Applications are invited from persons of a professional qualification who have appropriate

experience gained within industrial environments. A knowledge of manufacturing accounting and standard costing is essential together with the desire to contribute effectively overall to the management of the business.

The remuneration package is attractive and has a salary potential of £25,000 per annum inclusive of performance payments. An executive car will be provided together with medical, pension and life assurance arrangements. Relocation support will be available, where required, to an attractive East England area.

Please write, in strict confidence, stating fully how the requirements are met, to: Peter Sadler FIPM FInstD, Peter Sadler Associates, Eagle Star House, 69 The Mount, York YO2 2AX.



PETER SADLER ASSOCIATES
EXECUTIVE SEARCH AND RECRUITMENT

GROUP FINANCE DIRECTOR

Middlesex

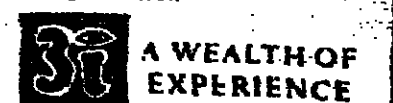
up to £40K + bonus + share option + car

Our client is a success story of the last decade. Through continued growth they are now a market leader in the provision of services to the business community. The next exciting phase of development includes expansion of the core business plus the formation of a group board to spearhead diversification. They seek a qualified accountant, probably CA, aged 35-43 with experience of handling acquisitions and institutional fund raising. Involvement with a flotation would be highly desirable. Good persuasive skills, drive, enthusiasm and a sense of humour are essential personal qualities.

The excellent remuneration package reflects the seniority of the position and includes a board appointment after a mutually agreed period of satisfactory performance.

For further details and an application form please telephone Windsor (0783) 867175 (24 hrs), or write in confidence with CV to Peter A Page, Senior Consultant, Human Resources, 3i Consultants Ltd, 8 High Street, Windsor, Berks, SL4 1LD, quoting Ref: PP/781.

3i Consultants Ltd
Human Resources



FINANCIAL CONTROLLER

a challenging commercial opportunity

Reading £27,000 + Car

Rockwell-Collins is the UK subsidiary of Rockwell International, involved in the avionics and electronics communications system business.

We now require a Financial Controller, who, reporting to the Managing Director, will assume overall responsibility for the accounting, financial management and data processing of the UK company. This challenging role offers the opportunity to contribute to the commercial success of the UK subsidiary and to develop close working relationships with US financial management. You ideally must be a qualified accountant, aged 28-35 with at least three years' experience in management and general accounting, preferably gained within a multi-national organisation.

In addition to a salary of around £27,000, benefits include pension, life assurance, BUPA, and a company car.

Please write with CV to F. W. Jacques, Personnel Manager, Rockwell-Collins (UK) Ltd, Suttons Industrial Park, Earley, Reading, Berkshire RG6 1LA.



Rockwell International



FINANCIAL MANAGER (TRADING)

Commodity Appointments Ltd, 8 Emont House, 116 Shaftesbury Avenue, W1V 7DJ
Tel: 01-4391701 Fax: 01-734 0275

Our client is a forward looking company based in Richmond, with offices in the USA, Canada and the West Indies. They are principally engaged in the international trade of semi-processed and processed food products between the West Indies - USA - UK - Europe, and are also expanding their own private brand in the UK and Europe.

On their behalf we are looking for a Financial Manager, age 25-45, to fulfil a number of functions. An Accountancy qualification is preferred, but not essential.

The successful candidate will assume all Accounting and Treasury responsibilities. The position, however, calls for versatility, a knowledge of all aspects of L/Cs, shipping procedures/documentation, foreign exchange and computer literacy are necessary. The ability to negotiate agreements would be an asset. The applicant must have a knowledge of the standard practices of trading, although previous experience in food products is not essential.

We are looking for an enthusiastic and determined self-starter with an innovative approach to business and one who is able to observe what an international clientele requires.

Only an individual who knows how to make effective requests and commitments in a fast moving and changing international environment need apply.

This is a challenging position with excellent career prospects. Salary negotiable. Please contact Ken Jacob or Nicole Hyde.

SHORT CUT TO SHORT LIST

FOR GO-AHEAD YOUNG ACCOUNTANTS THROUGHOUT THE UK - AT SALARIES UP TO £40,000 P.A.



The Appointments Register
London House, 271-273 King St, London W6 9LZ

Applicants: To take advantage of our fast, free and fully confidential service, post off the coupon to: Michael Polley, FCA, MBA, Hall-Mark Appointments Register, FREEPOST, London W6 9BR (no stamp required). Telephone: 01-741 8011/01-748 3444 (24 hrs.) Postal: 019030873.

SURNAME (BLOCK CAPITALS)
FORENAME(S)
ADDRESS
POSTCODE

VP-Finance & Admin International Investment Bank

c.£65,000 + Bonus London

The senior finance position in a leading and rapidly expanding investment bank with a growing reputation in the international markets.

THE COMPANY

- ◆ Prestigious European headquarters of global investment bank.
- ◆ Diversified portfolio of equity and bond activities.
- ◆ Professional and talented management team.

THE POSITION

- ◆ Full responsibility for all financial, regulatory, and admin requirements and for overseeing the Bank's operations department.
- ◆ Working alongside and reporting to the Chief Executive for Europe, with a supporting staff of 35.
- ◆ Member of the European Executive management team.

QUALIFICATIONS

- ◆ Qualified accountant with experience at senior level in the investment banking sector.
- ◆ Aged 32-42, financially astute with extensive knowledge of equities and bonds.
- ◆ Dynamic, confident with demonstrable inter-personal and leadership skills.

COMPENSATION

- ◆ Base c.£65,000 plus bonus and full banking benefits.
- ◆ Excellent promotion prospects.



Please reply enclosing your cv quoting Reference G9906 to: 54 Jermyn Street, London SW1Y 6LZ.

Property Unit Trust Business Consultant

City OTE £30,000 + car

Our client is a leading investment management firm with well established credentials, including the management of segregated pension funds.

The company is expanding and now seeks to develop additional Property Unit Trust investment business from local authorities and other corporate pension funds.

An opportunity exists for a mature professional individual with a knowledge of commercial property - possibly a Surveyor or with a legal or financial background - to develop Property Unit Trust business from a very broad base of existing pension fund clients. At the same time, our client is looking for the ability to initiate substantial new business from outside the current client portfolio.

Remuneration will be by retainer and commission. Your target earnings should be c.£30,000 p.a. plus car and expenses.

Confidential Reply Service: Please write with full CV quoting reference 2126/CW on your envelope, listing separately any company to whom you do not wish your details to be sent. CV's will be forwarded directly to our client who will conduct the interviews. Charles Barker Recruitment Limited, 30 Farringdon Street, London EC4A 4EA.

CHARLES BARKER
ADVERTISING · SELECTION · SEARCH

Financial director designate

Northampton, up to £35,000



Organic growth, early prospects of USM floatation and a business plan which includes product diversification through both internal development and acquisition are some of the challenges facing the holder of this strategically important position.

The company is a small, progressive subsidiary of a US parent. Their success is based on flair, innovation and the adoption of sound marketing principles in meeting an unprecedented demand for their fmcg products in a worldwide market.

The prime requirement is to put in place the financial controls and plans required for their ambitions to be realised. The creation of effective budgeting and product pricing controls will be early priorities; preparation for floatation, a significant project.

Aged in your 30's, probably a graduate, qualified and commercially aware, you should be a team player, pragmatic, expressive and with well developed skills in financial planning and control gained within a consumer goods/distribution environment.

Salary, which features as part of a flexible compensation package, is unlikely to be a prohibitive factor for the right candidate. Additional benefits include a performance/profit related bonus, potential share options and a fully expensed executive car.

Succession to the board should be an early consideration. Please send a career history, which includes a daytime telephone number, together with an indication of present earnings, to Stephen Smith Ref S159.

Coopers & Lybrand Executive Selection

Coopers & Lybrand Executive Selection Limited

43 Temple Row Birmingham B2 5JT

20 Accountancy Personnel

Placing Accountants first

INTERNATIONAL HIGH-TECH GROUP FINANCIAL ACCOUNTANT

Near Camberley c.£19,000 + Car + Excellent Prospects

This high-growth, US owned, Computer Peripheral Distributor (projected group T/O approx \$100m) operates in 25 countries internationally.

As a young RECENTLY QUALIFIED CHARTERED ACCOUNTANT making your all important "post-qualified career move", this organisation can satisfy both your immediate and long-term ambitions.

The job will entail the consolidation and review of Group results, the establishment of tight financial controls within the Group and reporting to both the holding company and local senior management. You will assume a visible role within an acquisitive, proactive and highly commercial environment.

RING ASAP FOR A DAY EVENING INTERVIEW, WRITE WITH YOUR CV OR WE WILL BE AT THE RADCLIFFE FARM, COLLEGE TOWN, CAMBERLEY, ON SATURDAY 21ST MAY 9AM-12 NOON. Ref: JGJE.

For further details, contact: Accountancy Personnel, 566 High Street, Camberley, Surrey GU16 3NS Tel: 0276 895893



FINANCIAL CONTROLLER

Preston £Negotiable
Dorman Smith Britmac Ltd., an autonomous subsidiary of BICC, is a leading manufacturer of cable management systems. Continued expansion has identified the need to recruit a Financial Controller to further strengthen the management team.

Reporting to the Managing Director you will be responsible for all aspects of the financial function. Particular emphasis will be placed on costing, forecasting and budgeting.

Candidates, ideally aged 35-45, must possess a "shut sleeves" approach and be computer literate. Experience in an engineering environment is a distinct advantage. The rewards include an attractive salary, usual large company benefits and genuine prospects for advancement.

For further details, contact: Accountancy Personnel, 22 Windley Square, Preston, PR1 3JJ Tel: 0772 565972

FINANCIAL CONTROLLER INTERNATIONAL CORPORATE

Deeside/North Wales c.£20,000 + Bonus + Car
The Deeside Corporation, a US based fortune 500 company with operations world wide, is looking to recruit a Financial Controller for its Deeside/North Wales operation.

The Financial Controller will take full responsibility for the financial and management accounting function and the continuous development of computerised systems.

The role will suit a recently qualified Accountant who has the ambition and drive to progress internationally within this US corporation.

Career prospects are excellent and the company offers a competitive salary and benefits package including relocation assistance where necessary.

For further details, contact: Accountancy Personnel, Room G15, Cotton Exchange, Old Hall St., Liverpool, L3 5JR Tel: 061 236 3630

Union Discount Finance & Leasing Limited LEASING GROUP ACCOUNTANT

City £30,000 Package
This major finance leasing group, a subsidiary of the Union Discount Company, are seeking a Qualified Accountant with leasing experience to take an active role in the development and expansion of the business as well as controlling the full accounting function. Currently holding open advertising positions, further opportunities are being made as the business expands. The job holder will work closely with the Group Accountant of the parent company on the development of groupwide reporting systems. An excellent benefits package serves to enhance this challenging and varied role. Ref: JF.

For further details, contact: Accountancy Personnel, 621 ES Moorgate, EC2M 6BH Tel: 01-638 3966

CHIEF ACCOUNTANT

NORFOLK · NEG. £17,000 + CAR

A career-minded, young Financial Accountant, preferably fully qualified, is required to fill an expanding role between the Financial Director and the accounting team in our chemical engineering group. Experience in the manufacturing sector would be an advantage, but this position is also open to promising candidates considering their first move into industry.

The company, internationally recognised as a technological leader in its field, is undergoing fast sales and profit growth, with an increasing proportion of its turnover being exported worldwide. The post offers great scope for imaginative financial management both in terms

of systems development and projects related to the business as a whole. Monthly management accounting, cash flow control, involvement in business planning, budgeting, financial modelling and analysis will all be part of the comprehensive brief, as well as consolidation, draft tax computations and statutory accounts.

Our client offers a generous package of benefits, including relocation assistance if necessary, and a real opportunity for career development.

Write in the first instance to Mrs. Liz Kitchen, Executive Recruitment Advisory Services, 2 Market Hill, Diss, Norfolk, IP23 3JZ.

ERAS MANAGING DIRECTOR DESIGNATE

ELECTRONICS INSTRUMENTATION COMPANY

Our clients founder and Managing Director, wants to develop other interests after 12 years of very active involvement in the Company.

We are looking for a financially orientated Managing Director designate with a "hands-on" approach, to manage and develop the Company. Probably aged between 38 and 48 the successful applicant will be given a generous profit related package.

Our Client
Instrumentation niche Market Experts

Market Leader

Sales £3m +, 70 staff based South Asia

Two overseas subsidiaries in USA and SE Asia

High proportion of skilled professional staff

Profit potential £0.5 to £1m

The Applicant

Electronic, or Electronic Instrumentation Experience

Will not accept 2nd best

Presently managing a similar, or larger, organisation

Familiar with currency planning and long distance management

Keen intellect and able to handle these skills

Strong profit orientation and result driven

If this interests you, please write in confidence, in your own hand and enclose a (typewritten) CV to: TESSLER TRADE INFORMATION, 92 CROMWELL GARDENS, LONDON SW7 4AX

DIVISIONAL ROLE

£20,000 + Car + Bonus

Our Client is a major British plc involved in the international manufacture and distribution of hi-tech products.

A unique career opportunity currently exists within its divisionalised HQ in West London. Working as part of a small management team, the successful applicant will be responsible for the collection, analysis and interpretation of financial information from specialised profit centres. This will involve undertaking a variety of ad-hoc projects and performing other non-routine assignments, some requiring overseas travel. In addition you will assist the Divisional Controller in the co-ordination and preparation of financial reporting and treasury matters.

Candidates for this broad challenging role will be aged 24-30 and recently qualified. Previous experience gained within an international manufacturing environment would be desirable.

Please apply directly to Suzanne Wood at Robert Half, Freeport, Mountbatten House, Victoria Street, Windsor, Berks. SL4 1YY. Telephone: 0753 857181, evenings 01-876 5405 (Ansaphone).

Financial Recruitment Specialists
London · Birmingham · Windsor · Manchester

STRATEGIC PLANNER

Helping to shape the future of retail financial services

You are a well-qualified business professional with highly developed analytical and communication skills. Your experience over the last two years, in perhaps a planning, consultancy or accountancy role, has required that you develop workable solutions to complex business problems.

Abbey National, in responding to the researched needs of its customers, is establishing itself as a more broadly-based retail financial services organisation. The broadening scope of the business has resulted in a number of vacancies within our Corporate Planning Division. Strategic Planners support senior management in creating and maintaining competitive advantage in the markets in which we operate by providing analyses, papers, recommendations and action plans.

We would expect you to have a good honours degree and a business-related post-graduate or professional qualification. Ideally, your formal education would have familiarised you with specific knowledge of the principles of

Strategic Management and Finance. Your recent experience must have accustomed you to the pressure, self discipline and techniques of project-based work.

In return we can offer an excellent salary, the kind of benefits you would expect from an organisation of our stature - and the chance to make a significant impact on the successful development of our business.

Please write with full cv to Bill Whitehead, Abbey National Building Society, Abbey House, Baker Street, London NW1 6XL.

The closing date for receipt of applications, which are invited from all sections of the community, is 26 May 1988.



SWAPS OPERATIONS ACCOUNTANT - US INVESTMENT BANK

CITY to £30,000 + Bonus + Car + Mortgage Subsidy

This new position is a high profile role, reporting to the head of department, and supervising a team of five staff. It will involve extensive liaison at a senior level throughout the group and the provision of relevant management information for traders.

Your duties will encompass advising on the global accounting process and liaising with financial control, assisting with the implementation of general ledger and swaps systems and formulating policies for new banking products. Ideally you will be a qualified accountant, aged 26-30, with at least one years' experience which has been gained within the financial services sector. SA1098

To find out more about this position, or the range of opportunities currently available, please write to or telephone Management Personnel on 01-256 5041 (24 hours) or 01-981 5963 (out of hours).

Management Personnel, 25 City Road, London, EC1Y 2AA.



Ready for the Challenge?

You are qualified, used to managing and reporting to tight deadlines, confident in your intellectual and professional skills but no longer stretched - so now you want to move up a gear and have greater impact on the business decisions of your Company and be rewarded as a direct result of your efforts.

Financial Director

As Financial Director with my clients, you will have a varied, challenging and rewarding opportunity in an exciting and growing market sector. As a key member of the management team reporting to the Managing Director you will have particular responsibility for business planning and management information as well as the normal and statutory requirements. As a Board member you will make a significant contribution to the current direction and the future strategic long term plans of the Company including potential acquisitions and preparation for possible listing.

In your 30's, a graduate qualified Accountant and used to computerised accounting (including P.C. systems), you will see your key role as providing information and analysis to influence business decision making. Enthusiastic, energetic and a good communicator, you will relish the challenge of growing with this £6m t/o Company in central London.

In addition to a negotiable salary c.£28,000, there is an excellent benefits package including profit related bonus, full expensed car, BUPA, pension, etc.

To apply, please write in confidence to DAVID KONRATH enclosing a full career history. No details will be released to our client without prior approval.

OTTERIDGE & COMPANY
197 Knightsbridge, London SW7 1RP.



ACA/ACCA, OR PART QUALIFIED
£15K - £22K (NEG)

FINANCIAL SERVICES GROUP

BMI seeks Accountants with a combination of professional and commercial experience to assist in the financial management of a wide variety of clients.

BMI is a fast expanding corporate and private financial services group providing financial management and finance director services, venture capital funding, commercial loans and mortgages, tax and investment planning.

Candidates should demonstrate professional maturity and commercial awareness. Personal computer experience essential. Send full CV's, P. & C. to:

Personnel Manager, BMI,
49 Old Bond Street, London W1X 3AF

FINANCIAL CONTROLLER
c.£21,000

London based chartered surveyors and estate agents seek a young graduate chartered accountant. He/she will be responsible for mainstream accounting including development, design and improvement of the existing computerised system. Career prospects.

Ref. 505

RECENTLY QUALIFIED
c.£23,000 + car

International financial services group require a graduate chartered accountant for their U.K. Head Office located in the City. Key responsibilities will include management reporting, investment appraisal, security and financial matters. Excellent remuneration and career structured benefit package.

Ref. 515

For further details phone or write temp/parm recruitment consultants
5 VIGO STREET LONDON W1X 1AH TEL: 01-439 3387/8/9

Group Chief Accountant

London

Neg. £40,000+Options

Our client is a major international clearing and broking house in the futures industry. This Plc is in a formative stage with a new management team and is active in pursuing acquisitions into a number of new, but related areas.

We are seeking a Group Chief Accountant who, reporting to the Financial Director, will initially adopt a "hands on" role establishing strong financial reporting systems throughout the group, both in the UK and overseas. In addition you will be involved in acquisitions, treasury, tax and group finance.

This post offers first class prospects with the opportunity of substantial equity involvement.

The successful candidate will be aged 28-38, a qualified chartered accountant, and have gained experience within a "Big-Eight" firm. In addition you will have had line experience outside the profession, although this need not be in the financial services sector.

Personal attributes will be drive, ambition, commitment and a professional results orientated approach.

If you are interested and meet the above requirements then please send your curriculum vitae and daytime telephone number to Jon Anderson ACMA, Executive Division, 39-41 Parker Street, London WC2B 5LH, quoting ref. 507.



Michael Page Partnership

International Recruitment Consultants
London Bristol Windsor St Albans Leatherhead Birmingham Nottingham
Manchester Leeds Glasgow & Worldwide

Financial Director

N.W. Home Counties

c£40,000+Car

Our client is an international private group of companies in the process industry, with a large US multinational owning a 50% interest and the balance remaining with the original shareholders. The company was established in the early 70's and developed a niche market in its industry, which together with recent expansion into other related areas has resulted in a worldwide turnover of £11 million, and a workforce of 150 people.

As a result of people and capital investment over the past two years the company is now poised for rapid organic and acquisitive growth.

A highly commercial and committed Financial Director is now being sought to lead the development of the company in a managed and controlled manner.

The major emphasis of the role is in strategic and operational planning, business financing and business development e.g. acquisitions, start up ventures.

The successful candidate will be a qualified accountant aged 38-45 with experience of rapid growth across a broad front. Strength of character, an inquisitive "hands-on style" and excellent communication skills are essential.

The remuneration package includes a fully expensed car, non-contributory pension and BUPA.

If you can rise to my client's challenges and opportunities please submit your cv immediately to: Wayne Thomas, Executive Division, Kingsbury House, 6 Street Street, Windsor, Berkshire SL4 1BG.



Michael Page Partnership

International Recruitment Consultants
London Bristol Windsor St Albans Leatherhead Birmingham Nottingham
Manchester Leeds Glasgow & Worldwide

"exceptional development role with outstanding prospects"

AMBITIOUS ACCOUNTANT

Central London

c£27,000 + Mortgage etc

The Prudential has made decisive moves into new areas of operation to reinforce its position as one of the UK's most dynamic and influential financial services groups.

These moves have created numerous opportunities for ambitious qualified accountants including this new position in a high profile development team undertaking a wide range of business related projects within a major division.

Working closely with financial and operational management, these projects will include the evaluation and financial appraisal of all aspects of the significant changes being introduced throughout the division.

Emphasis will be on development work, providing an in house consultancy service to the division - a proactive role calling for a self starter aged mid/late 20s from either the profession or commerce with business awareness, communication skills, the confidence to deal with micro and mainframe systems and the potential to progress to financial or commercial management within 2/3 years.

With a very competitive remuneration package and extensive career prospects this really is an opportunity not to be missed.

Please telephone our recruitment consultant

David Tod BSc FCA on 01-405 3499
or write with full career details to him at
Lloyd Management, 125 High Holborn,
London WC1V 6QA.



PRUDENTIAL

STRATEGIC PLANNING MANAGER

Essential Input into Rapid Growth Environment

Age 28 - 32 years

North West London

c £28 - 30,000 p.a. plus car & benefits

A front-runner in a key area of growing consumer demand, our client is a name known to all. Enjoying rapid growth throughout the 1980's, the organisation is seeking to continue and expand upon this. The role of Strategic Planning Manager plays a vital part in this development. The previous incumbent of the position has been promoted within the wider Group and hence, the organisation is now seeking to recruit a successor. Reporting to the Finance Director, the responsibilities of the Strategic Planning Manager will include:

- A broad range of projects associated with a rapidly growing business.
- The production of strategic plans.
- The preparation of operating plans, budgets and forecasts.
- Control and review of capital expenditure.
- The development and direction of an Analysis and Reporting team of four people.

The successful candidate will be a qualified Accountant with previous planning and analysis experience gained within a commercial environment. Essential qualities will include excellent communication and inter-personal skills, coupled with good business understanding and commercial awareness. Promotion opportunities from this position are excellent, hence candidates must clearly demonstrate the potential to develop to Senior Management level.

In addition to the salary package above, relocation assistance will be provided if required.

If you feel that you wish to find out more about this challenging opportunity, telephone Karen Wilson, BA, ACMA on 01 - 491 3431 or write to her at FMS, 14 Cork Street, London W1K 1PF, enclosing a CV and note of current salary.

FMS

Search and Selection Specialists
for
Financial Management

Financial Management

Excellent Career Development Potential

GKN plc, the major multi-national Group, is seeking to recruit two exceptional financial executives in the age range 24-32 who are capable of joining its "fast track" development programmes.

Operating initially within the Group Finance Director's function, the successful candidates will be given substantive appointments in the UK, Europe or the US. These will be highly visible positions in a major Group which has a clear strategy for success and is engaged in considerable development and international growth. The progress of the successful candidates will be carefully monitored and there will be ample opportunity for rapid career progression towards senior management in either line management or a central role.

Candidates must have an excellent career record and be able to demonstrate a keen commercial awareness, strong communication

and analytical skills and a high level of commitment. Although 3-5 years relevant experience in industry, commerce or the City is desirable, together with both a good University Degree and Accounting qualification, consideration will be given to outstanding younger candidates.

As would be expected for an appointment at this level, an attractive remuneration package tailored to the individual will apply. In the first instance, write with full CV or telephone Anthony Jones, GKN's retained adviser, at the address below. He will provide full details and put suitable candidates in early touch with John Hughes, General Manager Finance.

Carver Plan Limited,
33 John's Mews, London, WC1N 2NS.
Telephone: 01-242 5776
(or 01-348 3641 between 7.30 pm and 9.30 pm.)



The international automotive, defence, and industrial services group

FINANCIAL CONTROLLER

We are international air freight forwarding agents and aviation brokers and our business involves large industrial companies and major UK and overseas airlines. The successful applicant should be well experienced in all aspects of financial management and accounting and will be expected to ensure the smooth running of our computerised accounting systems and report essential financial information to the directors on a regular basis.

If you can work efficiently under pressure then please apply in writing giving full particulars to: A.M. Farrelly, Chapman Freeborn Airmarketing Ltd, 7 Buckingham Gate, London SW1E 6JP

Kent Institute of Art & Design

Assistant Director: Finance

£27,018-£28,383

A Qualified Accountant with previous general experience of Further/Higher Education management at senior level is required for this exciting new post. Duties will include local day-to-day management coordination at the Canterbury College of Art & Design, and as a member of the Directorate team, planning, management and monitoring of the Institute's financial affairs. Applications from female candidates will be welcomed.

Further information and application forms can be obtained on request from the Director's Secretary, Kent Institute of Art & Design, Oakwood Park, Maidstone, Kent ME16 8AG. Tel: 0622 691471. Applications should be returned by 27th May 1988. Please quote Ref: FT 12/5



EDUCATION

GROUP ACCOUNTANT

NORFOLK - NEG. £17,000 + CAR

A young, entrepreneurial FCA already showing marked potential for Directorship, is required by the parent company of a successful small commercial group based at Great Yarmouth.

The role involves not only the production and consolidation of Group accounts but planning, budgeting, forecasting and advising the Board on the financial ramifications of proposed business strategy—being a key member of the overall management team.

The role will lead to Company Secretary duties and the opportunity of further advancement to Board level prior to anticipated flotation.

Two years experience in a commercial, computerised accounting environment will be a must as will an obviously outgoing, ambitious personality.

The package of benefits is attractive and includes assistance with relocation.

PROFESSIONAL TECHNICAL SOUND. A FUTURE BOARD MEMBER—then telephone GUY Childs for an application form on 0376 56217. Executive Recruitment Advisory Services, 11 Market Hill, Diss, Norfolk, IP22 3JZ.

ERAS



OPERATIONS ACCOUNTANT

PROPERTY SERVICES

To £23,000
+ Car + Benefits

South East
London

Our Client is a rapidly expanding property and financial services company and is backed by one of Britain's largest financial services organisations. It has a reputation for the provision of a high level of personal service whilst at the same time being aggressively competitive. Although at an early stage in its growth process, the number of outlets is projected to increase by 50% this year.

This new role is being created to strengthen and complement the existing financial team and is by no means routine. Reporting to the Financial Director, the Operations Accountant will critically analyse all aspects of the business, producing recommendations as to how key controls can be strengthened and the quality of customer service improved. There will be investigative and analytical input on acquisition projects. Additionally, there will be exposure to both financial and management reporting and the opportunity to use and develop the in-house computer system.

Prerequisite qualities are a keen commercial awareness, developed analytical skills, excellent communications ability and the capacity to adopt a "shirt-sleeves" approach. A basic understanding of computer systems would be an advantage. Successful applicants will be time-barred or recently qualified ACA's or ACCA's, aged 24-29.

Please apply directly to Richard Carter at Robert Half, FREEPOST, Walter House, Bedford Street, 418 The Strand, London WC2R 0BR. Telephone: 01-836 3545. evenings 0344 885911.

Financial Recruitment Specialists
London · Birmingham · Windsor · Manchester

ROBERT HALF

Associate European Tax Counsel

Central London

c. £30,000 + Car

Our US client is one of the world's largest research based pharmaceutical companies with an enviable history of success and development. They have a substantial number of major subsidiaries in Europe in both the pharmaceutical and other business sectors.

Their continued success has caused the need to recruit a young, but experienced Tax Counsel to support the existing European Tax Counsel. The appointee will take responsibility for the tax affairs of the eight UK companies with a total turnover of £200 million and will also assist the European Tax Counsel in the exercise of his responsibility for tax planning and day-to-day management of the group's tax affairs in Europe.

Candidates probably aged 27-32 will be Chartered Accountants or lawyers with broad experience of UK corporate tax in the professions or industry. Some European tax experience would be an advantage. Personal qualities sought include good interpersonal and communications skills, a proactive nature and a sense of humour.

Write, with full CV, quoting ref 2176/FT to Geoffrey Forester, Beradtsen International, 6 Westminster Palace Gardens, Artillery Row, London SW1P 1RL.

Beradtsen International

Management Consultants · Executive Search

BRUSSELS · COPENHAGEN · FRANKFURT · GENEVA · LONDON · MADRID · MILAN · NEW YORK · PARIS

Divisional Finance Director

South East

c £40,000 + Bonus, Share Options etc

Our client is a fast expanding, profitable and highly respected, quoted manufacturing group with a turnover exceeding £300 million.

A Finance Director is sought for a new high volume manufacturing division, formed following recent acquisitions. Combined turnover this year will exceed £50m, and there are plans for significant further investment both in the UK and overseas. The Finance Director's primary tasks will be to address the various strategic and organisational issues facing the Division and to introduce integrated financial management disciplines. This Division will represent one of the group's core activities for the future.

Candidates should be qualified accountants, with a progressive record of achievement to date, coupled with a

strong commercial bias. A sound understanding of exchange rate implications, multi-site manufacturing, pricing, and international financial management are the essential skills sought.

Interested applicants should write enclosing curriculum vitae and daytime telephone number to Barry Ollier BA, ACA quoting Ref: 229, at Whitehead Rice Ltd, 295 Regent Street, London W1R 8JH. Tel: 01-637 8736.

Whitehead Rice

MANAGEMENT SELECTION

هكذا من الهم

Hoggett Bowers

Executive Search and Selection Consultants

Finance And Accountancy Search & Selection Consultants

Opportunities For A Positive Career Change
London Based, Substantial Earnings Potential
There are not many chances to change careers in your 30's; for most of us in Hoggett Bowers the change was dramatic and the start of a highly enjoyable, varied, demanding and rewarding new business life. The company is part of the rapidly expanding Blue Arrow Group, which is opening up many career opportunities. Following an intensive training programme, your task would be to identify potential business and to carry out executive search and selection assignments within the Accountancy and Finance fields. You will be expected to develop long-term client relationships and will enjoy considerable freedom in the management of your client base. We are particularly interested in hearing from people with successful managerial careers in Accounting and Financial Recruitment. You will probably be in your 30's, a graduate or professionally qualified, and looking for an opportunity to grow in an interesting and challenging environment where your earnings directly reflect your own contribution. We ask a lot of you, but the rewards are high; an attractive substantial basic salary can be very significantly improved by the bonus you earn and the rest of the package is excellent.
P.A. Adderley, Hoggett Bowers plc, 1/2 Hanover Street, LONDON, W1R 9WB, 01-734 8832. Ref: L11027/FT.

Financial Controller

West of London, c £25,000, Car, Benefits
This warehousing and distribution division, part of a major international Group, is a fast-growing, highly successful leader in its field. The programme of rapid development has created a need for a Financial Controller to take full responsibility for the accounting function within the distribution operation. A key element of the job will be to contribute, as a member of the management team, to the evaluation of potential areas of growth, including projects and acquisitions. This challenging opportunity calls for someone who can exercise the analytical and commercial flair to make a key contribution to the profitability and growth of the business. Probably in your early thirties, you must be a qualified accountant with at least five years commercial experience. Career prospects are excellent, and the benefits are those normally associated with a major employer.
M. Grant, Hoggett Bowers plc, 1/2 Hanover Street, LONDON, W1R 9WB, 01-734 8832. Ref: H27004/FT.

Accountant

Insurance Industry
North Home Counties, c £24,500 Package, Car, Excellent Benefits
A subsidiary of one of Europe's industry leaders, this profitable and successful company's continuing expansion is fuelled by its innovative approach, together with substantial investment, with a current turnover in excess of £100m. A pro-active contribution to the management team is the main feature of the role, through the supervision of a small group engaged in the preparation and interpretation of financial information. The position reports to the Group Finance Manager and provides an exceptional career opportunity. Professionally qualified candidates, in their mid 20's to mid 30's, will have experience of the preparation of accounts in a commercial or industrial environment. Importance is attached to presentation skills and the ability to play an active team role in a rapidly changing environment. Relocation assistance is available.
A.J.L. Sattary, Hoggett Bowers plc, George V Place, 4 Thames Avenue, WINDSOR, SL4 1QP, 0753-820851. Ref: W12030/FT.

Financial Controller

High Calibre Qualified Accountant
Excellent Career Potential
Dagenham, c £24,000, Benefits
This small but profitable company seeks USM Flotation in 1990 with immediate plans for significant growth both organically and by acquisition. The demanding and stimulating working environment will best suit high potential qualified candidates who are seeking a senior hands-on role. Reporting to the Financial Director responsibility will be for leading the financial team in meeting all the accounting and reporting requirements of the company with special emphasis on tight cost control, financial planning and the management of computerised systems.
Mrs. M. Gould, Hoggett Bowers plc, 1/2 Hanover Street, LONDON, W1R 9WB, 01-734 8832. Ref: H13040/FT.

Group Financial Accountant

Immediate Challenge
Enfield, Middlesex, To £23,000, Up To 30% Bonus, Car
Britain's most successful employee-empowered Group specialising in transportation worldwide and envisaging a public flotation, currently seeks an ambitious Accountant to contribute to the strategic growth and global development of the Business. You will assume responsibility for the direct reporting of Group Financial information and ensure that financial policies are maintained to the highest professional standards supported by a team of staff. The ideal candidate aged 25 to 35 will offer a minimum of two years post-qualification experience, possibly from a transport related industry. You will have displayed leadership qualities and be familiar with developing and initiating computer based systems. A 'hands-on' individual is required who has the ability to work within a fast developing organisation with ever changing needs. Excellent opportunity for advancement within the Group and their New World Structure.
B. Boylan, Accountancy Division, Hoggett Bowers plc, 1/2 Hanover Street, LONDON, W1R 9WB, 01-409 2766. Ref: 842/FT.

Accounting Operations Manager

Manufacturing
St. Albans, £20,000 - £22,000
This is a position for a bright and accomplished ACA trained by a substantial practice, ideally aged 28-32 who is wishing to take a first major step into a challenging appointment within industry. The organisation, engaged in high volume manufacturing has a turnover of £150m per annum and as the UK market leader, with major capital investment plans, operates to the highest standards of financial control and accountability. Your role will be to assist the company financial controller in providing the necessary financial management and support to a number of operating units within the division, the board and the parent organisation. It is essential that your training and skills are complemented by a high level of self motivation, confidence and maturity and the ability to relate to all levels of management. Career prospects are excellent. Relocation assistance will be provided where necessary.
K.A. Carroll, Hoggett Bowers plc, 1/2 Hanover Street, LONDON, W1R 9WB, 01-734 8832. Ref: H25008/FT.

These positions are open to male or female candidates. Please telephone for a Personal History Form to the relevant office, quoting the appropriate reference.

THE LEICESTER MERCURY IS LOOKING FOR AN ASSISTANT FINANCIAL DIRECTOR

to work with a committed financial team on one of the largest regional newspapers in the U.K.



Our fast growing Company, with a turnover of £24m, publishes the Leicester Mercury, which is the 5th largest regional daily in England and Wales.
Other activities include:
• Publishing of Weekly Newspapers
• Leaflet Distribution
• Provision of Transport Services
• Operation of a Chain of Retail Shops
The Company has a commitment to investment which will maintain its position as a leader in the regional newspaper industry.

We require a **QUALIFIED ACCOUNTANT**, preferably a graduate, to fill this senior role, to assist the Financial Director in:
• The provision of financial information for the senior management team
• The continued application of good financial control to our computerised systems
• The management of an established accounts section
• The achievement of Group reporting requirements

If you have the following, we would like to meet you:
• The desire to apply your skills in a commercial situation
• An analytical approach to ensure sound systems design and operation
• Communication skills to liaise at all levels on a variety of projects
• Management abilities in staff control
We offer an excellent remuneration package, including a car and, importantly, the real opportunity to develop your career within a Group where achievements are recognised and rewarded. As part of the Northcliffe Group, owning over 50 daily and weekly newspapers, you will find that the potential for progress for someone with ability is considerable.

Write in the first instance to:
A. B. Thompson F.C.A., Financial Director,
F. Hewitt & Son (1927) Ltd.,
P.O. Box No. 46, St. George Street,
LEICESTER LE1 9FO



FINANCE DIRECTOR (Designate)

£35000 + bonus + car N.E. Home Counties

This small, independent shipping company now plans to expand - soon. With four bulk carriers regularly chartered in the bulk dry cargo market, plans are underway to build this fleet with the same careful control of costs which has ensured survival in leaner times. The Managing Director wishes to relinquish day-to-day control to concentrate on this development strategy and seeks a Finance Director (Designate) to take over these key activities. Candidates should be qualified accountants with the robust character required to be successful in this environment. A commercial approach is a must; a background in a trading operation would be useful, although shipping experience is not necessary. You should have had some exposure to banks and the ability to negotiate deals. On a daily basis you will be expected to exercise strict control and be ready to question. The position will appeal to energetic accountants, preferably aged 35-45, who would relish working in a small fast-moving, virile organisation. In addition to salary, bonus and car, there are attractive executive benefits. Please write with full career details to Alan Forrest, Strategic People Recruitment, The Range, Dockett Eddy Lane, Shepperton, Middlesex TW17 9NT.

STRATEGIC PEOPLE RECRUITMENT



EXPERIENCED RECRUITMENT CONSULTANT

London-Holborn Basic c.£18,000 + Bonus + Car

Since our City backed formation in February last year, Alderwick Peachell & Partners has grown from scratch into a team of over 35 staff. Already acknowledged as a market leader in the Accountancy & Financial recruitment field, we have established one of the strongest client bases in London & the Home Counties. We anticipate the opening of new offices during 1988/89, thus creating exceptional promotion prospects. Due to our rapid growth, we now seek team orientated, experienced consultants to work within our department specialising in Qualified Accountants in the Commercial & Industrial sector. You will receive ongoing internal and external training in all aspects of recruitment including interview technique and client presentation skills. Ideally a graduate, aged 24-30 you will already have at least 12 months experience, ideally in accountancy recruitment, although experience in other market sectors will be given serious consideration. You should be aiming for a management role within the next eighteen months. The substantial basic salary is complemented by both individual and team related bonus schemes. Please apply by telephone or in writing to JANE EASTON on 01-404 3125 at ALDERWICK PEACHELL & PARTNERS LIMITED, 125 High Holborn, London WC1V 6QA. All applications will be dealt with in strictest confidence.

Alderwick & Peachell PARTNERS LTD

FINANCIAL DIRECTOR

Package: £35,000 + car + benefits Location: S.W. London
Company: Sales Promotion T/O £5m +

Duties: Control the Company's financial affairs; introduce, develop and monitor management systems and provide meaningful reports to the management team.

Qualifications: The experience and ability required will be shown by a qualified accountant aged 35-45 who can demonstrate commercial acumen, the ability to communicate at all levels and who wishes to play an important role in the growth of a rapidly expanding company.

Apply in writing to:- M.G. Cook, F.C.A., Cook and Partners, Manufactory House, Bell Lane, Hertford, Herts SG14 1BP

Management Accountant/Company Secretary

Nr MAIDSTONE, KENT
Package up to £22k

Our client is the leading hop merchant in the UK, providing a full range of hop trading, processing, warehousing and transport services to the brewing industry internationally. The firm deals in hops sourced from all major hop producing countries, and the firm's strategic plan calls for rapid expansion internationally.

A key position has become available for a suitably experienced accountant to join this small, profitable company, located in rural Kent

Reporting to the Managing Director, the Management Accountant will be responsible for:

- company secretarial duties
- maintaining all accounting records
- preparing statutory accounts for audit
- preparing tax returns
- preparing monthly management accounts
- monitoring and forecasting cash requirements
- office management
- personnel, pensions and insurances administration
- ad hoc investigations

Experience with foreign currencies, computerised accounting packages and office management are required. A hands-on approach and commercial acumen are also necessary. Remuneration, which is negotiable, includes pension and private health insurance, and possibly a car.

Please write with CV and covering letter to Steve McBride.

ROBSON RHODES

Chartered Accountants

Management Consultancy Division,
186 City Road, London, EC1V 2NU.

Finance Manager

Full Divisional Responsibility For Profitability and Growth
to £23,000 + car + benefits
Farnborough

Part of the Thorn EMI Group, Software Sciences is one of Europe's leading systems houses. We are well known for the excellence of the IT solutions we provide to Commerce, Industry, Defence and Government, and that has fuelled our present high rate of growth.

We are now looking for a fully qualified ACA, ACCA or ACMA, with at least one year's post qualification experience, to take responsibility for the financial management of our Civil Division which provides computer and communication systems to central and local government and other major public sector organisations. Reporting to the Managing Director and forming part of a small management team, you will be controlling all aspects relating to divisional budgeting, financial control, management and project accounting. At the same time you will play a full role in the strategic development of the business and its 3 operating centres.

We would anticipate that you are aged 25-30 with a strong commercial background and outstanding professional skills. You should also be adaptable, an effective communicator and accustomed to working with all levels of management and staff, often to strict deadlines.

In return, we can offer you excellent career potential within the Group as a whole, together with an attractive range of company benefits including BUPA pension scheme and relocation assistance where appropriate.

Please write with full career details to Sarah Chambers, Software Sciences Limited, Farnborough, Hampshire GU14 7NB. Telephone (0252) 544821.

Software Sciences
THE LEADING EDGE

GROUP ACCOUNTANT

CENTRAL LONDON c£25,000 + Bonus + Car

Our client is a fast growing group of companies operating throughout the UK and overseas in the areas of Insurance, Hotels and Property. Having recently embarked upon an exciting phase of diversification and expansion, the group has identified the need for a highly experienced Chartered Accountant to take full responsibility for the financial control and development of all new and existing ventures.

Since this is a new position, the duties of the Group Accountant will initially include the general review and co-ordination of the group's various accounting systems and administrative and staffing requirements. The successful candidate will be responsible for all aspects of the group's accounting transactions including the preparation and review of management and statutory accounts, budgeting and forecasting, the raising of finance and feasibility studies for new acquisitions and investments.

Applicants should be aged between 35 and 55 with some experience in insurance and hotels and should write with extensive C.V. quoting ref. PGC/DDT to

PAULA MANNING,
LITTLEJOHN FRAZER,
2 CANARY WHARF, LONDON E14 9SY.

Financial Controller.

IBM AND COMPAG COMPUTER SALES COMPANY
Most Computer sales IBM and Compaq Our Financial Controller will be graduate computer systems in central London to ACA, FCA, 20-22 business oriented, capable of working with the company. Write to the UK's 40 IBM dealers and soon open 1 branch, Director, Morse Computers Ltd, a new sales centre in the City. 9 Hurlton Farm Ind Est, Feltham, Middx.

QUALIFIED ACCOUNTANTS

Required to join dynamic team of management consultants.
Call Ben Adler Management Consultants
01-209-0094

Quantel Limited is a highly successful international company based in Newbury, Berkshire, with subsidiaries in Europe, Japan, Australia and the USA. The group is renowned for the design and manufacture of a wide range of advanced electronic equipment used throughout the world in broadcast and other industries.

Commercially initiated Financial Manager.

Internal promotion has created an outstanding opportunity for an experienced, well qualified accountant, reporting to the Financial Director.

This position offers complete responsibility for all manufacturing accounting and MIS functions, ensuring tight operation controls are maintained and developed. Hands on experience of computer systems incorporating product costing and inventory control is essential.

You will be a qualified, numerate accountant with experience in a high technology environment and have the social and persuasive skills to manage a small, highly motivated team and be capable of liaising with all levels of staff to Director level. It is unlikely that anyone under 30 would have the necessary experience for this important position.

This position carries an attractive salary, a company car and relocation assist where appropriate for the successful candidate.

If you would like to join a busy, thriving organisation at the forefront of technology please send a full C.V. to:
The Personnel Officer, Quantel Limited, Administration Centre, Kin Road, Shaw, Newbury, Berkshire. RG13 2HA. Telephone Newbury (0635) 32222.



TREASURY ACCOUNTANT

£18-20,000 Negotiable

Putney

A privately owned international group require a young professional to assist in the day to day running of their treasury and finance function located in Putney.

Joining a small head office team reporting directly to the Finance Manager, your responsibilities will include: monitoring and developing group cash flows, foreign exchange dealing and advice, loan management, and liaison with other group companies, banks and external advisers. The opportunity exists to become involved in a wide range of ad-hoc projects undertaken by the group.

You will have worked in a finance function ideally with responsibility for treasury activities and be familiar with personal computers. Of equal importance in this high profile role, is the ability to work on your own initiative possessing the communication skills to deal with senior company executives both internally and externally. You will be keen to take on a varied post and have the personality to fit into a closely knit team.

If you feel you can meet the challenge of this diverse role please send full career and salary details to Mrs. Jennifer Baker.

13/14 Hanover Street, London W1R 9HG. Telephone: 01 493 5788

Link International Search & Selection Ltd.

Financial Controllers

South East

BUPA

North West

BUPA, the market leader in the private health sector is keen to consolidate and expand its activities, in readiness for 1990 and beyond. A recent restructuring of its health insurance business has resulted in new opportunities for two talented and commercially minded accountants.

Based in Brighton or Manchester, the individuals appointed will be responsible for all aspects of the finance function reporting to their respective Divisional Business Operations Managers. This will include control of underwriting and contracts, business systems and strategic planning in addition to normal management and statutory reporting requirements.

Candidates, aged 27-35, should be qualified Chartered or Management Accountants, with several years direct experience of commercial accounting and a sound understanding of computerised systems. The ability to contribute at a senior level both internally and externally and to build and lead a support team is considered essential. Prospects for future progression into a general management role are excellent.

The salary package is negotiable, to £25,000 plus car and full BUPA benefits, depending on experience and ability. Full relocation will be provided where necessary.

Please reply in writing quoting reference: 380/1 to Charles Barker MSI, 30 Farringdon Street, London EC4A 4EA.

CHARLES BARKER
SELECTION · SEARCH · ADVERTISING

World Wide Investigations

London Based + Extensive International Travel

c£30,000 + benefits

We have been retained by a diverse, privately owned industrial group to assist with the appointment of a qualified accountant to assume a role of extreme importance and interest.

Group activities currently include shipping, construction, oil, property and banking. Its presence in each of these areas is considerable and the expansion of the last decade is expected to continue at a rapid rate.

The appointed candidate will be based in Central London and 60-75% travel overseas is envisaged. Each assignment will typically be of 1-2 weeks' duration and locations visited will include several European countries, the Middle East and North America. He will report to the Head of the Group Audit function and will be specifically responsible for the planning, implementation and reporting on investigations, efficiency studies and 'ad hoc'

reports. He will not be responsible for financial or systems audit.

Potential candidates for this unusual and challenging role are likely to be 28-34 year old qualified accountants with a large firm background and post qualification audit or investigations experience within industry. The most important requirement is for an inquisitive, robust and analytical mind coupled with an energetic and ambitious personality.

Interested candidates are invited to discuss the position with Gerry Davies on 01-831 2000 or 01-367 6412 (evenings and weekends) or to write to him at Michael Page Partnership, 39-41 Parker Street, London WC2B 5LH. Complete confidentiality is assured.

Candidates should list, in a covering letter, any organisations for whom they would not wish to be considered.



Michael Page Partnership

International Recruitment Consultants
London Bristol Windsor St Albans Leatherhead Birmingham Nottingham
Manchester Leeds Glasgow & Worldwide

CHIEF ACCOUNTANT AND HEAD OF INTERNAL AUDIT

London

c. £23,500 + car

Our client represents one of the major retailing success stories of the decade. Their growth continues both in the UK and overseas and the company now wishes to increase and strengthen the financial group with two new key appointments. Both positions are equal in status, remuneration and benefits. Candidates will be qualified accountants, aged 25 plus, preferably with experience in a retail environment. An understanding of EPOS, warehousing and distribution will be necessary.

Chief Accountant (Ref 332)

- Daily sales figures reporting
- Monthly management figures
- Cashbook and general ledger control
- Computerised/EPOS systems management
- Warehousing and distribution experience
- Cash handling and security
- Control of financial accounting function
- Staff motivation and management

Internal Audit (Ref 334)

- Development of internal manuals and procedures
- Development of systems generally
- Liaise with all departments to ensure compliance with systems
- Monitor stock levels
- Oversee stocktaking
- Liaise with auditors

The company is young and dynamically led. Successful candidates will find the work stimulating and rewarding. Apart from the salary indicated above, there is a realistic benefits package for discussion.

Please apply, stating which position you wish to be considered for, to:
Nicholas Potts, Mainstay Management Services Limited, 34 York Street, Twickenham, Middlesex TW1 3LJ.
Telephone: 01-891 3301

MAINSTAY
Management Services

Financial Controller

Brighton Area

Salary negotiable
+ car and
profit share

Many years of technological achievement and practical application have established our client's reputation as market leaders in the design and supply of specialist plant for the petrochemical industry around the world. Turnover is approaching £10 million and prospects for rapid growth are particularly promising.

Skilled financial management will, however, be critical in order to maximise the full profit potential. They are, therefore, seeking an able and commercially astute Financial Controller to be responsible for all financial aspects of the business.

Applicants should be Qualified Accountants, ideally aged 32-40, with in-depth experience in Contracting, including export requirements, and a 'hands-on' approach.

A fully competitive salary and attractive range of benefits, including profit share, are offered and a Board appointment is envisaged within two years.

Please send concise details, including current salary and daytime telephone number, quoting reference B2036, to:
W. S. Gilliland, Executive Selection Division, Grant Thornton Management Consultants Limited, Grant Thornton House, Melton Street, Euston Square, London NW1 2EP.



Grant Thornton
Management Consultants

OFFICIAL SPONSOR OF THE 1988 BRITISH OLYMPIC TEAM

Property development company near Bath, Wiltshire, Wiltshire, seek Accountant (P.A. (M/F) 25-40, to assist busy Managing Director with the day to day running of his successful business. Previous experience/qualification necessary and ability to organise. Attractive salary and benefits for suitable applicant. Please write in confidence with full C.V. to Kenneth W.R. Haines & Co., Nutrition House, 5, Catherine Road, Edgware, Middlesex, HA8 1TD

YOUNG FINANCE DIRECTOR

- WITH A HIGH LEVEL OF BUSINESS FLAIR

Up to £30k + SUBSTANTIAL BONUS + CAR

SW18

Smallbone plc is a group of companies involved in design, manufacture, wholesaling and retailing in the top sector of the domestic interior design market. Growth, organically and by acquisition, has been impressive since the Group's inception in 1980 to a current turnover in excess of £40m.

We now seek a highly commercial, qualified accountant to assist the M.D. in the management and operation of a recently acquired, and strategically important, subsidiary company. The immediate priority will be the development of management information systems to measure and control the changes being implemented to the company's operations. This will include the continued development of computerised systems.

You are likely to be in your late 20s or early 30s with the personal qualities to succeed in a fast moving, design led and sales driven organisation. This is an excellent opportunity to gain broad business management experience within a professional, forward looking group.

Please send your c.v. to our advising consultant, Phil Bainbridge, ref. B.35081, MSI International (UK) Ltd., Pilgrim House, 2/6 William Street, Windsor SL4 0BA.

SMALLBONE PLC

Group Financial Accountant

Berkshire

£32,000 + Car + Benefits

Our client, a food services Group operating in the U.K., Europe and North America, has achieved, by a combination of organic growth and acquisition, a current annual turnover in excess of £575m and is one of the fastest growing U.K. public Groups.

This is a key vacancy in a small Head Office team which calls for a qualified accountant with a combination of strong accounting skills and big company computer systems development experience. The successful candidate will be responsible to the Group Finance Director and the range of tasks will include:

- maintaining all routine financial information on the computer database
- the preparation and consolidation of the Group's financial information including Group Accounts
- working with executive management on acquisitions, etc.
- the development of computerised accounting systems
- liaison with European and subsidiary companies' Financial Controllers and the Group's auditors

Applicants (age to mid 30s) will need to demonstrate solid commercial experience, embracing central accounting, in a demanding Head office environment. Well developed communication skills, a strong personal presence and commercial awareness are essential qualities.

The company offers a very attractive package including a share option scheme. Write to John Gregory at John Courts & Partners, 104 Marylebone Lane, London W1M 5FU demonstrating your relevance clearly and quoting 5171/FT.

JC&P
Management
Selection and
Search
London, Milton Keynes, Walslow

Personnel/Admin Manager	c£15-25K
Junior Credit Analyst	c14K
Spot Dealer (Major Currency)	c£25K
Audit Assistant	c£13K
Gifts/FX/Equity settlements	c£20-25K
Account Officer (U.K. Corporates)	c25K
Corporate Finance Director	c£60K
Management Accountant	c£20K
Computer Manager	c£25K
Sales Ledger/Credit Controller	c£12K

Telephone our consultant Tony Parrott on 01-377 5661. Alternatively, send him a copy of your c.v. at the address below

36 Spital Square London E1 6DY.
Tel: 01-377 5661

Miller, Brand & Company
Limited

PROFESSIONAL PERSONNEL CONSULTANTS

FINANCIAL CONTROLLER

An expanding and highly successful entertainment company seeks ambitious Financial Controller to ensure effective financial control of several group companies, and to be responsible for all planning, tax structure etc. This is a great position and a challenging opportunity for someone interested in a creative, enthusiastic and modern organisation.

Please write to Box A0882,
Financial Times, 10 Cannon Street, London EC4A 4DY

Bryant Properties
Invest in Quality

MIDLANDS LONDON
021-704-5111 01-491-2634

SECTION II - COMPANIES AND MARKETS

FINANCIAL TIMES

Thursday, May 12 1988

DOUGLAS CONSTRUCTION GROUP



Committed to Quality

American Medical in \$910m sale of hospitals

By James Buchanan in New York

AMERICAN MEDICAL International, the Beverly Hills-based hospital management company struggling to adjust to intense competition in US health care, said yesterday that it would sell off 37 of its less profitable hospitals to employees for \$910m in cash and securities.

The deal, which marks the latest retrenchment in the embattled US health-care industry, will raise about \$450m after tax and expenses for American Medical, which is the third-largest hospital company after Hospital Corporation and Humana.

The money will be used to pay back debt and buy in stock in an effort to appease powerful stockholders, including Dr Lee Pearce, a Florida physician-investor, who has grumbled about American Medical's strategy in dealing with heavy public and corporate pressures for lower health bills.

The deal will leave American Medical with 46 general hospitals and five psychiatric hospitals and 25 operations overseas. The company reported a decline in operating earnings to \$72.5m on revenues of \$2.15bn in the six months ended February.

The hospitals being sold are mostly in the southern states and California and comprise 4,200 beds which generated \$597m in revenues and \$135m in gross operating profit last year.

In a deal that strongly resembles Hospital Corporation's spin-off of 104 low-margin hospitals last autumn, an employee stock ownership plan will buy the hospitals for \$60m in cash and \$140m in preferred stock in a new company.

Such employee plans can borrow at marginally lower rates because of tax concessions to lenders and American Medical said yesterday that preliminary commitments had been received for the cash portion of the offer.

Mr Walter Weisman, chairman of American Medical, said "the sale of these hospitals will be the more significant in a series of steps AMI has taken over the past several years to enhance shareholder value."

American Medical, which has been troubled by poor performance since paying \$1.6bn for a big Texas hospital chain in 1983, recently sold 10 hospitals and a minority stake in the UK operation and bought back 8.3m shares.

NEW ZEALAND INVESTMENT GROUP SEEKS BROADER FINANCIAL BASE ABROAD

Equiticorp moves to Hong Kong

BY GORDON CRAMB IN LONDON

EQUITICORP HOLDINGS, the prominent New Zealand investment company, is moving its base abroad, apparently disillusioned with the thin local capital markets and the threat of unfavourable changes in the country's tax structure.

The company - which controls Guinness Peat Group (GPG), the London-based financial services organisation - yesterday unveiled a restructuring plan whereby Equiticorp will move its corporate registration to the UK and will operate from Hong Kong with a regional base in Sydney.

Alongside these changes, a separate and long delayed demerger of the Guinness Mahon investment

banking side is to go ahead next month at GPG, which also yesterday reported flat pre-tax profits of £14.82m for its first half to March.

Mr Allan Hawkins, the former banker who as Equiticorp chairman built the company from scratch in the last four years to rank as one of New Zealand's 15 largest, said: "The Sydney-based Australasian operations of the group will have access to a broader financial base than is currently or projected to be available in New Zealand."

After expanding rapidly at home and abroad, Equiticorp took a sharp knock in the stock market crash last October, and

its shares have fallen from a peak of above NZ\$6 to trade yesterday at just 82 cents.

At the same time, New Zealand's Labour Government has been examining a comprehensive overhaul of the corporate and individual tax system. Although the proposals have been substantially amended since they were first aired in December, some leading entrepreneurs such as Sir Ron Brierley were prompted to threaten a relocation of their corporate empires offshore.

Equiticorp yesterday avoided attributing its move directly to the current uncertainty over taxation, but the group is known to have been worried in particular

that the authorities might take greater revenue-raising powers over subsidiaries of New Zealand companies abroad.

The company says the reshuffle will provide a more international image and attract overseas investors. Shares in the reorganised Equiticorp International, denominated in Australian dollars, are to be quoted in Hong Kong, Australia and New Zealand.

A London listing may come later, although Equiticorp will carry the status of a UK non-resident company for tax purposes.

Mr Hawkins said yesterday that it would have worldwide assets of NZ\$4.4bn.

O&Y takes stake in Stanhope

BY PAUL CHEESERIGHT, PROPERTY CORRESPONDENT, IN LONDON

OLYMPIA & YORK, one of the UK's largest property groups, yesterday forged an alliance with Stanhope Properties in a move which substantially extends its influence over some of London's biggest development projects.

O&Y will take a one-third stake in Stanhope for £137m (\$246m), following the completion of talks yesterday.

The alliance brings together the Reichmann brothers who, through a Canadian base, have built O&Y into a group, still privately held, which probably has up to \$200m of assets, and Mr Stuart

Lipton, one of Britain's best known property developers, who floated Stanhope on the Unlisted Securities Market just before last October's market crash.

The capital injection gives Stanhope a stronger base for expansion. By comparison, Stanhope's offer of shares to the market brought in under £28m. The two groups said they would jointly seek development opportunities in Britain and Europe.

O&Y re-entered the British property sector last July when it

took control of Canary Wharf, the £20m office and retail development in London's Docklands, which is Europe's largest development. It had owned the English Property Corporation from 1979 until 1985, when it sold the company to IEGCO.

Through Stanhope's half share of Rosehaugh Stanhope Developments, O&Y is now involved in other major London projects including Broadgate at Liverpool Street station, the redevelopment of Holborn Viaduct station, and a £750m scheme at the Royal Albert Dock.

CanPac in C\$500m takeover

By Robert Gibbons in Montreal

CANADIAN PACIFIC, the transport, resources and industrial conglomerate, is buying voting control of Ontario-based Laidlaw Transportation, one of North America's largest school bus, trucking and waste management services groups, for almost C\$500m (US\$406m).

The seller is Mr Michael de Groot, the Belgian-born entrepreneur who is Laidlaw's founder and chairman. He had put his controlling block on the sale on March 3, saying the company had become too big for him.

Mr De Groot has built highly profitable Laidlaw into a diversified group with annual sales of more than C\$1.2bn during the past 30 years.

CP, which has been restructuring its transportation interests, is paying the equivalent of C\$22.19 a share for 22.5m Laidlaw A voting shares.

Woolworth lifts income 21%

BY OUR NEW YORK STAFF

F.W. WOOLWORTH, the one-dowdy US retailer which has enjoyed a five-year improvement in its fortunes, yesterday reported a 21 per cent increase in its net income for the first quarter ended April, on an 11.8 per cent rise in sales.

Woolworth, which has improved profit margins by adding specialty shops to its famous five-and-dime stores, said earnings in the latest period were \$38m or 54 cents a share, up from

\$26m or 43 cents in the 1987 first quarter.

Sales in the 1988 first quarter rose 11.8 per cent to \$1.71bn with a strong 19.3 per cent rise at the specialty stores. General merchandise sales rose a more modest 7.4 per cent.

Overseas, where Woolworth runs department stores in Canada and West Germany and a specialty retailer (Kinney) in Australia, sales grew only 4.8 per cent in local currency terms but

12.6 per cent expressed in dollars. Woolworth, which is lifting its quarterly dividend by 24 per cent to 41 cents a share, is regarded on Wall Street as a potential candidate for takeover since the Haft family of Washington revealed an interest in buying 15 per cent of Woolworth's shares.

Small loss for International Thomson

BY DAVID OWEN IN TORONTO

INTERNATIONAL THOMSON Organisation, the Toronto-based publishing, travel services and energy group, yesterday reported a small first-quarter loss due to higher financing costs and lower oil prices.

In the three months ended March 31, the group's loss attributable to common shares was US\$26m or 2.7 cents a share, compared with a loss of \$3m or

1 cent a share a year earlier.

Sales increased sharply to \$713m, against \$655m last quarter - at an average of \$15 a share - were \$2 below the average price in the comparable period last year. In addition, the group experienced a decline in overall production. Nevertheless, the group pointed out, oil and gas unit

results at the operating level were ahead of the corresponding 1987 period.

Results for the information and publishing division, meanwhile, showed a marked improvement from year-earlier levels, the company said. Regional newspapers, business magazines and information services in the UK all performed well.

The world's biggest retailer plans a major revamp, Deborah Hargreaves in Chicago reports

Sears stores dust off their image

IN THE FACE of hefty competition from an efficiency-conscious US retail sector, Sears Roebuck, the world's largest retailer, is pushing on with a revamp of its colorful merchandise group.

Sears, which has seen its sales growth lag behind the industry average in recent years, has launched a three-year reorganisation of its merchandise group accompanied by a drive to move into the specialty retail sector.

Despite a drop in merchandise income in the traditionally quiet first quarter - to \$18.7m from \$31.8m in the same period last year - Sears is confident of being able to surpass last year's net earnings of \$787m for the division. Nevertheless, the group remains under pressure to streamline operations and reduce costs in its unwieldy and bureaucratic merchandise division.

Management at Sears, which holds its annual meeting today, has faced harsh criticism in recent years as sales growth for the company's merchandise group - at 4.5 per cent a year - has lagged behind the industry's 9.6 per cent average. "Sears' sales momentum has slowed down and their apparel sales are not good," says Mr Walter Loeb, retail analyst at Morgan Stanley.

Responding to the need to revitalise the division, Mr Michael Bozic, the merchandise division chairman, announced a big restructuring of the group's buying policy and headquarters staff in March.

The plan, which aims to streamline the operation and forge greater accountability by business segment, could mean job cuts among the 4,000 merchandise staff in the company's Sears Tower headquarters.

	Assets (\$m)	Revenues (\$m)	Pre-tax income* (\$m)	Net income (\$m)
1983	23.1	25.1	1.44	791
1984	22	26.5	1.98	995
1985	22	26.5	1.41	787
1986	22.4	27.1	1.68	738
1987	23.8	28.1	1.4	787

* Profit before taxes, equity in net income of unconsolidated companies and minorities

The restructuring is aimed at decentralising decision-making between buyers in the merchandise group, where the same structure has been in place for buying goods as diverse as women's apparel and tires.

Mr Loeb describes Sears' purchasing structure as "antiquated" - its 90 buying departments under a single management structure have built up a bureaucratic system that has made buyers slow to react to customers' changing tastes. Sears is trying to cut the time it takes new goods to reach its stores by modernising and automating the company's distribution system.

In addition to a reorganisation of its purchasing set-up, the company has been taking an extensive, "vertical" look at the retail operation. Mr Bozic recently told a meeting of financial analysts that as part of this extensive review, Sears has established 138 strategic product lines, "and it is now important for us to decide which of those can bring us the profit we want... some will inevitably have to change a lot."

In any of the changes it makes, however, Sears is hampered by its "historical baggage" and its image among American consumers as the store that sells everything. The view of the store as an emporium and the division's strong links with the Sears catalogue - the forerunner to the

store operation - left the company dropping behind in US retailers' rush to enter the booming specialty retail sector.

It wasn't until the beginning of last year that Sears launched its initiative to move into this highly profitable area by setting up a specialty retailing group charged with developing a chain of specialist stores through internal start-up or acquisition.

Since then, Sears has notched up three "safe" acquisitions, which include Eye Care Centers of America, an optical superstore chain, Finestripes Petites, a Minneapolis-based women's apparel group, and by far its biggest, Western Auto Supply, a car parts chain which it agreed to acquire for \$250m in March.

While its move into the specialist sector has been criticised by analysts as being too little and too late, the company stresses it is looking for viable propositions, which it can expand into national chains.

"The specialty operations will be important in generating extra revenue, as the traditional stores have lost market share in many durables," Mr Loeb considers.

In addition, Sears has tried to promote some of its strong in-store departments by transferring them to a stand-alone location. As part of this move, the company is continuing to develop new sites for its paint and hard-

ware stores as well as home improvements, which Mr Bozic expects to expand from a \$300m business in 1988 to \$1bn by 1993.

In order to shed the dowdy image acquired by some of its apparel lines, Sears has signed licensing agreements with McDonald's and Walt Disney on marketing a range of products using Disney characters and the McDonald's logo. This led to the launch of its McKidds range of children's clothing last year.

These initiatives will be helped by experiments with new store formats, such as the neighbourhood store, due to be tried in Chicago later this year. These stores will emphasise family apparel and home fashions, Mr Bozic explains.

The smaller store formats will be dependent on a more efficient distribution system. Sears has long been burdened by huge stockrooms and back-up facilities - which can often occupy as much as 50 per cent of selling space - to support the range of products at its traditional multi-purpose stores. As a result, Sears' sales productivity at around \$145 per sq ft has lagged behind competitors such as K mart with \$175 per sq ft and discount chain, Wal-Mart, at \$240.

Mr Bozic cites an increase in selling space as a major priority for the merchandise group and plans to add 1.2m sq ft this year - last year's rise of 700,000 sq ft was the company's first significant increase in space in four years. His creation of a more efficient purchasing and distribution system will help free some of the stockroom to be turned into sales space.

While Sears flaunts the efficiencies to be gained from its three-year restructuring, the move has been criticised as coming too late. "Three years is too long, the plan should be more radical and there should be more sense of urgency about it," comments Mr Loeb.

Elders sells Courage pub stake for £875m

By Lisa Wood in London

ELDER'S IXL, the diversified Australian brewer, has sold a half-share in its 5,000-strong chain of Courage public houses in Britain to Hudson Conway, an Australian property group, for £875m (\$1.64bn).

The deal, which entails the formation of a joint venture in which each will hold a 50 per cent interest, values the pubs at about £1.5bn.

Elders, which bought the Courage brewing group for £1.4bn in 1986 from Hanson, had planned to float off the pubs but this was prevented by the stock market crash last October. Earlier this year it disclosed that it wished to form a joint venture.

Under the deal with Hudson Conway, each will invest £150m of equity in the joint venture with the funding balance being provided by external loans and loans from Courage.

Elders IXL said final arrangements were being completed with leading banks with a view to inviting a syndicate of banks to provide loans of about £850m to the joint venture, being non-recourse to Elders or Hudson Conway.

Elders, which has a stake in Hudson Conway, is increasing its investment in the property developer by subscribing for £100m of 10-year redeemable preference capital which will give it about one third of the equity.

This subscription of capital will help Hudson Conway increase its borrowing facilities as part of its strategy to become an international force in property.

Mr John Elliott, chairman of Elders IXL, stressed that the



John Elliott, Elders chairman: Drawing on Courage reserves

arrangement would not affect Courage's tenants. The Courage Pub Co will lease the pubs on a 999-year lease with a commencing annual rent of approximately £10m.

Mr Elliott said the deal would leave Elders IXL with A\$1.4m (US\$1.1m) of debt and A\$4bn of equity.

He declined to comment on market speculation that Elders IXL, which holds a 3 per cent


stake in Scottish & Newcastle Breweries, could seek to mount a bid for S & N.

Elders did not rule out the possibility that it might still float off the Courage Pub Co. Such a path could also be explored by other British brewers, although to date they have not sought to capitalise on the asset value of their properties on such a scale.

Lex, Page 14

This announcement appears as a matter of record only.

11th May, 1988



GODO STEEL, LTD.

U.S. \$70,000,000

4 1/2 per cent. Guaranteed Notes 1993

with

Warrants

to subscribe for shares of common stock of Godo Steel, Ltd.

The Notes will be unconditionally and irrevocably guaranteed by

The Industrial Bank of Japan, Limited

Issue Price 100 per cent.

Yamaichi International (Europe) Limited

Nomura International Limited

IBJ International Limited

DKB International Limited

ANZ Merchant Bank Limited

Banque Bruxelles Lambert S.A.

Baring Brothers & Co., Limited

Dainoa Europe Limited

Dresdner Bank Aktiengesellschaft

KOKUSAI Europe Limited

Kyowa Finance International Limited

Merrill Lynch International & Co.

Morgan Grenfell & Co. Limited

New Japan Securities Europe Limited

Sanyo International Limited

J. Henry Schroder Wagg & Co. Limited

Société Générale

Taiheyo Europe Limited

INTERNATIONAL COMPANIES AND FINANCE

N.V. Koninklijke Nederlandsche Petroleum Maatschappij
(Royal Dutch)
Established at The Hague, The Netherlands

Final dividend 1987

The General Meeting of Shareholders of Royal Dutch Petroleum Company held on 11th May, 1988, has decided to declare the final dividend for 1987 at N.f. 8.30 on each of the 268,037,044 ordinary shares with a par value of N.f. 10 outstanding at December 31, 1987, so that the total dividend for 1987, including the interim dividend of N.f. 4.50 already made payable in September 1987, will amount to N.f. 12.80 on each of the said shares.

In the case of holders of bearer certificates with coupons this final dividend will be payable against surrender of coupon No. 183 on or after 24th May, 1988, at the offices of:

N.M. Rothschild & Sons Limited,
New Court, St. Swithins Lane,
London EC4P 4DU
on business days between the hours of 9.30 a.m. and 2 p.m.

Payment will be made in sterling at the buying rate of exchange current in London at 2 p.m. on 17th May, 1988, in the case of coupons presented on or before that date, or on the day of presentation in the case of coupons presented subsequently. Coupons must be accompanied by a presentation form, copies of which can be obtained from N.M. Rothschild & Sons Limited.

For shares of which the dividend sheets were, at the close of business on 11th May, 1988, in custody of a Depository admitted by Centrum voor Fondsenadministratie B.V., Amsterdam, this final dividend will be paid to such Depository on 24th May, 1988. Such payment will be made through the medium of N.M. Rothschild & Sons Limited, after receipt by them of a duly completed CF Dividend Claim Form.

Where under the double tax agreement between the United Kingdom and the Netherlands, the 15 per cent Netherlands dividend tax has been withheld, the 15 per cent Netherlands tax is allowable for a resident of the United Kingdom as a credit against the United Kingdom income tax payable in respect of the dividend. The deduction of United Kingdom income tax at the reduced rate of 10 per cent instead of at the Basic Rate of 25 per cent represents a provisional allowance of credit at the rate of 15 per cent.

Where appropriate, the usual affidavit certifying non-residence in the United Kingdom will also be required if payment is to be made without deduction of United Kingdom income tax at the basic rate.

The Hague, 12th May, 1988.
THE BOARD OF MANAGEMENT

Continental to spend \$400m in the US

BY ANDREW FISHER IN FRANKFURT

CONTINENTAL, the West German tyre and rubber products company, yesterday announced a sharply increased investment programme of up to \$400m in the next three years to raise capacity and efficiency in General Tire, its newly acquired US operation.

At the same time, Mr Horst Urban, chairman, spoke of the need to narrow the gap between production costs in its German plants and those abroad, where labour expenses were much lower.

He stuck by his forecast of a 10 per cent rise in earnings per share this year, the same as in 1987 when the figure rose from DM26.6 to DM29.3 (\$17.5m).

In the first quarter, turnover (excluding General Tire) was 7 per cent higher at DM1.2bn, while profits were only less as a result of pressure on prices and higher costs. Including the US company, turnover this year should approach DM5bn against DM4.5bn in 1987.

Conti paid \$643m last October for General Tire, the fourth largest tyre producer in the US.

As well as continuing regular annual capital spending of between \$50m and \$60m, Hanover-based Conti also plans to invest well over \$200m in three years in a special programme to upgrade and increase production at the US plants, which are working at full capacity.

This does not include Conti's share of the joint venture being negotiated by the German company and its US subsidiary with two Japanese companies, Yokohama Rubber and Toyo Tire and Rubber, to build a plant in the US for radial truck and bus tyres.

This will require the partners jointly to invest more than \$200m in the next three years. Thus, Mr Urban said, Conti's total spending in the US could exceed \$500m



Horst Urban: trying to narrow the gap in production costs

during this period. Noting that the joint plant would, like some of Germany's own plants, work 340 days a year, he said Conti's non-German operations in Europe also worked longer and more cheaply than those in Germany.

Thus Conti was negotiating with its German labour force on ways to narrow the cost difference, including Saturday working, local wage deals, and more job flexibility.

He compared the average labour cost per hour (including social costs) of its Scottish plant at DM20.50 with that of Hanover at DM37.

Conti has been investing heavily in its existing plants, with 1987 capital spending totalling DM394m. This year's total, including General Tire, will be about DM420m, with commitments for a further DM500m of new spending likely.

Bayer in optimistic mood after results

By David Goodhart in Bonn

BAYER, the West German chemical company, has struck a far more positive note about the prospects for 1988 following the announcement of its first quarter results.

In March, when releasing its turnover and profit figures for 1987, it said it was only modestly optimistic. But yesterday Mr Hermann Strenger, the chief executive, said sales and profits had run ahead of expectations.

Turnover for the group was up 5.7 per cent to DM1.8bn (\$595m) in the first quarter, and for the parent company it was up 7.9 per cent to DM4.5bn. Pre-tax profit for the group was up 11.3 per cent to DM755m, and for the parent company was up 9.3 per cent to DM456m.

Production bottlenecks have begun to develop, the company said, but it was strengthening its investment programme. Mr Strenger predicted group turnover for the year would be up 4 per cent, with raw chemicals and health and biotechnical products showing the fastest growth.

Bayer said that 78 per cent of group turnover (of DM37.1bn) last year came from foreign sales and in 1987 its North American sales were down 12 per cent. Group profit after tax for 1987 was 14 per cent up at DM1.54bn, and the equity and reserves as a proportion of the balance sheet has gone up slightly to 57.7 per cent.

Conti's 1987 dividend held at DM10 a share, but combined with an extra payment to mark the company's 125th anniversary Bayer will pay a total of DM1680m.

ICI holds exploratory talks with Montedison

BY ALAN FRIEDMAN IN MILAN

BRITAIN'S Imperial Chemical Industries has become the latest multinational chemicals company to take an interest in possibly acquiring assets from Italy's Montedison chemicals concern.

Senior ICI executives yesterday held exploratory talks in Milan with Montedison, just a few days after Dow Chemical of the US declared that it had built up an equity stake of nearly 5 per cent in the Italian company. Dow has expressed an interest in playing a future role in the joint Italian chemicals company that will result if Montedison and the state-owned Enichem succeed in pooling their base chemicals, fertilisers and fibres assets.

Mr Harry Richter, chairman of ICI's Italian subsidiary, was spotted leaving a meeting at Montedison's Milan headquarters yesterday morning. Mr Richter, who was accompanied by a senior ICI

executive from London, later limited himself to saying that "we are among a number of people who are in discussions with Montedison. We are exploring areas of common interest."

It is thought likely, however, that ICI is interested in acquiring the same chemicals assets as Dow of the US. These could include Montedison's polyurethane production facilities which are part of the group's Montedipe subsidiary.

The ICI-Montedison talks are believed to have begun with an initial courtesy visit to London at the end of March by Mr Alexander Giacco, the newly-appointed American chief executive of Montedison, who saw Mr Denis Henderson, ICI chairman.

It is unlikely that the British chemicals company is seeking any role in Nuovo Chimica Italiana, the new joint company that

Montedison and Enichem are hoping to form. A letter of intent between Montedison and Enichem is expected to be signed in the next week or so.

Mr Richard Broydt, a senior Montedison executive, last night sought to downplay the significance of the meeting with ICI. "Many of the leading chemicals companies in the world have contacted us and expressed interest in acquiring significant assets," he said.

Meanwhile, a meeting of shareholders in Meta, Montedison's financial services and retailing subsidiary, yesterday approved - as expected - a controversial share operation that will transfer Meta from Montedison to Ferruzzi, the agro-industrial concern that owns 45 per cent of Montedison. The deal's approval was never in doubt as Montedison controls 63 per cent of Meta.

Spain to sell off electricity unit

BY PETER BRUCE IN MADRID

ONE OF the biggest international equity flotations to take place since the stock market collapse last October is officially scheduled to begin tomorrow with the placement of nearly 22 per cent of Spain's biggest electricity utility, the state-owned Endesa group.

Aimed at both the Spanish and international stock markets, the flotation could raise more than Ptas95m (\$76.7m).

There was some uncertainty yesterday about the precise timing of the sale. A price has not yet been set, though this is expected to be done tomorrow, which could delay the placement of the stock until early next week. Some 53m shares are expected to

be placed, including 38m on the four Spanish bourses, 1m to employees, 4.4m in New York and some 9.6m on other European stock markets.

Just over 4 per cent of Endesa is already quoted on the Spanish markets, so the group as a whole has a current market value of Ptas408m. The company made pre-tax profits of Ptas9.8m last year on turnover of Ptas270.5m.

Proceeds of the issue could help the Treasury make a sizeable dent in its debt. The Government is also due to float up to 50 per cent of the country's biggest oil conglomerate, Repsol, later this year. Banco de Vizcaya and Rothschilds have just been

appointed to manage the Repsol flotation.

Earlier this week Mr Luis Croquer, the Industry Minister, said Madrid was studying the sale of some stock in Iberia, the national airline. Goldman Sachs, the US investment bank, is handling the international placements for the Endesa sale and the flotation is expected to take about two weeks.

Endesa largely escaped the financial turbulence that rocked the Spanish electricity generating industry a few years ago.

Net profits have grown steadily from Ptas25m in 1985 to Ptas40.5m this year. Banco de Vizcaya and Rothschilds have just been forecasting up to Ptas65m for 1988.

Zanussi nearly trebled

BY ALAN FRIEDMAN IN MILAN

ZANUSSI, the leading Italian home appliance maker controlled by Electrolux of Sweden, yesterday unveiled a nearly trebled 1987 group net profit of L97.5bn (\$76.1m).

The Pordenone-based white goods manufacturer first emerged from years of losses in 1986 with L34bn of net profits. Zanussi's total group turnover

in 1987 climbed by 10.5 per cent to reach L1,769bn. Some 66 per cent of Zanussi 1987 sales came from exports.

Zanussi's restructuring programme meanwhile has brought group debt down from L479bn to L360bn at the end of last year. The white goods maker spent L120bn in 1987 on factory automation.

Battle for Banco Central about to erupt

By Peter Bruce in Madrid

A THINLY-DISGUISED struggle for control of Spain's biggest private commercial bank, Banco Central, may be about to erupt again following a decision on Tuesday by its new majority shareholder to raise new capital.

Cartera Central, a joint venture between the Kuwait Investment Office (KIO) and two local entrepreneurs has had about 13 per cent of Banco Central since late last year and yesterday said it intended raising its capital by another 50 per cent in the next five years.

Cartera Central exists specifically to invest in Banco Central and the announcement is likely to unsettle the bank's embattled chairman, Mr Alfonso Escamez.

He is trying to draw friendly shareholders onto the board to help fend off the newcomers. Campofrio, the big meat concern, was recently persuaded to buy 5 per cent of Central and it has come on to the board as a result.

Cartera has two seats on the Central board with an option on another one.

The decision to raise new capital came just after Mr Fouad Jaffar, KIO's chief executive, made an oblique criticism of Banco Central management by charging that Spanish banks' large industrial holdings were detrimental to their banking business.

Banco Central owns the largest industrial group in the banking sector.

Deutsche Bank confident following favourable start

BY HAIG SIMONIAN IN FRANKFURT

DEUTSCHE BANK, West Germany's largest bank, is confident about its results for 1988 thanks to the favourable start made this year, Mr Alfred Herrhausen, its speaker (chief executive) told shareholders yesterday.

Full operating profits for the first four months of this year, which include gains from trading on the bank's own account, were about 30 per cent above the level for the comparable period of 1987. In particular, earnings from own-account trading had risen "considerably".

However, the comparison is not entirely revealing as it uses an average for last year, when earnings plummeted after October as a result of the crash, rather than measuring profits

against the corresponding period last year.

Part of the rise in trading profits stemmed from selective sales of securities, which the bank had written down sharply following the crash. Though far from their pre-October levels, many German equities have performed relatively well since.

In the first four months of this year, average business volume at the parent bank was 8 per cent ahead of the corresponding period last year, said Mr Herrhausen.

Interest earnings rose by 8.5 per cent, although the bank's interest margin declined by a further 0.11 per cent. Fee income fell by a further 10 per cent, he said.

Novo stages a recovery

By Hilary Barnes in Copenhagen

NOVO, the enzymes and pharmaceuticals manufacturer, staged a first-quarter recovery, with net earnings up from DKR122m last year to DKR161m (\$24.9m).

But the Novo management cautioned against viewing the first-quarter result as indicative of the performance for 1988 as a whole. The group maintained its earlier forecast that sales this year will increase moderately, while pre-tax earnings will show a more significant rise.

Novo announced that it had signed a letter of intent to acquire ZymoGenetics, the privately-owned Seattle microbiotics company, for \$22.2m. The US company played a key role in developing Novo's human blood coagulant, Factor VIIa.

Weekly net asset value as at 9/5
Tokyo Pacific Holdings (Seaboard) N.V.
was US 178.17
Listed on the Amsterdam Stock Exchange
Information: Penson, Hidding & Penson N.V. Herengracht 214, 1016 BS Amsterdam. Tel. + 31 - 20 - 21188.

Weekly net asset value
Leveraged Capital Holdings N.V.
on 9/5 was US 260.40
Listed on the Amsterdam Stock Exchange
Information: Penson, Hidding & Penson N.V. Herengracht 214, 1016 BS Amsterdam. Tel. + 31 - 20 - 21188.

NEW ISSUE This announcement appears as a matter of record only. May 1988.

SEKISUI CHEMICAL CO., LTD.
U.S.\$300,000,000
4 per cent. Notes Due 1993
with Warrants
to subscribe for shares of common stock of Sekisui Chemical Co., Ltd.
ISSUE PRICE: 100 PER CENT.

Daiwa Europe Limited

Yamaichi International (Europe) Limited	Sanwa International Limited
The Nikko Securities Co., (Europe) Ltd.	
Nomura International Limited	Bank of Tokyo Capital Markets Group
Daiwa Bank (Capital Management) Ltd.	Robert Fleming & Co. Limited
Morgan Stanley International	Amsterdam-Rotterdam Bank N.V.
Deutsche Bank Capital Markets Limited	IBJ International Limited
Merrill Lynch International & Co.	Union Bank of Switzerland (Securities) Limited
	S. G. Warburg Securities

ANZ Merchant Bank Limited

Banque Paribas Capital Markets Limited	Banque Indosuez
BNP Capital Markets Limited	Baring Brothers & Co., Limited
Cosmo Securities (Europe) Limited	Citicorp Investment Bank Limited
Credit Lyonnais	County NatWest Limited
DKB International Limited	Credit Suisse First Boston Limited
Goldman Sachs International Corp.	Dresdner Bank Aktiengesellschaft
KOKUSAI Europe Limited	Kleinwort Benson Limited
Kuwait International Investment Co., s.a.k.	Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)
Morgan Grenfell & Co. Limited	ITCB International Limited
Nippon Kangyo Kakumaru (Europe) Limited	New Japan Securities Europe Limited
SBCI Swiss Bank Corporation Investment banking	Norinchukin International Limited
Société Générale	J. Henry Schroder Wagg & Co. Limited
Tokyo Securities Co. (Europe) Limited	Taiheiyu Europe Limited
Toyo Trust International Limited	Towa International Limited
	Universal (U.K.) Limited

Wells Fargo & Company
U.S. \$200,000,000
Floating Rate Subordinated Capital Notes due 1998
In accordance with the provisions of the Notes, notice is hereby given that for the interest period commencing 12th May, 1988 to 12th August, 1988 the Notes will carry an interest rate of 7 7/8% per annum. Interest payable on the relevant interest payment date 12th August, 1988 will amount to US\$194.86 per US\$100,000 Note.
Agent Bank: Morgan Guaranty Trust Company of New York London

FIRST CHICAGO CORPORATION
US\$200,000,000 Floating Rate Subordinated Capital Notes Due 1997
Notice of Rate of Interest
Notice is hereby given that the rate of interest on the Floating Rate Subordinated Capital Notes due 1997 (the "Notes") issued by First Chicago Corporation for the interest period commencing May 12, 1988 and ending on August 12, 1988 has been determined to be 7 7/8% per cent per annum. The interest payment date for such interest period is August 12, 1988. The interest amount, i.e. the amount of interest payable in respect of each US\$ 10,000 principal amount of Notes, for such interest period is US\$ 196.46.
CHEMICAL BANK
As Agent Bank for First Chicago Corporation.

U.S. \$400,000,000
Queensland Coal Finance Limited
Guaranteed Floating Rate Notes Due 1996
Unconditionally and irrevocably guaranteed by
The Bank of Tokyo, Ltd.
of which U.S. \$306,360,000 is being issued as the Initial Tranche

Interest Rate	7.90% p.a.
Interest Period	12th May 1988 14th November 1988
Interest Amount per U.S. \$10,000 Note due 14th November 1988	U.S. \$403.00

Credit Suisse First Boston Limited
Agent Bank

The Export-Import Bank of Korea
US\$100,000,000
Floating Rate Notes Due 1995
In accordance with the provisions of the Floating Rate Notes, notice is hereby given as follows:
Interest Period : 12th May, 1988 to 14th November, 1988
Rate of Interest : 8 1/2% p.a.
Coupon Amount: US\$ 413.33 (per note of US\$10,000)
US\$ 20,665.67 (per note of US\$50,000)
Agent
LTCB Asia Limited

DP Energy Resources Growth Fund
Weekly net asset value on 4/5 was US 261.13
Listed on the Amsterdam Stock Exchange
Information: Penson, Hidding & Penson N.V. Herengracht 214, 1016 BS Amsterdam. Tel. + 31 - 20 - 21188.

Tenneco Inc
MILWAUKEE, WISCONSIN
1988 In our 42nd consecutive year of consecutive dividend payments
The 1988 second quarter dividend of 76¢ per share on the Common Stock will be paid June 14 to stockholders of record on May 27. About 173,000 stockholders will share in our earnings.
Karl A. Stewart, Secretary

Handwritten Arabic text at the bottom of the page.

INTERNATIONAL COMPANIES AND FINANCE

International banks re-examine their Saudi exposure

ON MAY 29 in Jeddah, before a judicial panel called the Negotiable Instruments Committee, the opening shots are due to be fired in the latest in a series of corporate debt claims which has made international banks re-examine their exposure to the Saudi private sector.

Saudi British Bank, on behalf of some 50 leading banks, is claiming SR727m (\$194m) from Arabian Auto Agency (AAA), a vehicle and heavy equipment distributor which, it is claimed, defaulted on payments soon after a rescheduling agreement was signed in February last year.

It is not clear whether the declaration of default was actually made since an agent for AAA had been busy buying up sufficient debt papers including some directly from the creditor banks - to make it impossible for the lending banks to speak for the 75 per cent of the loans which under the rescheduling arrangement are necessary to declare default.

Rather, the importance of the case brought by Saudi British (a 40 per cent indirect associate of Hongkong and Shanghai Banking Corporation) lies in four areas which are fundamental to the future of banking in Saudi Arabia in particular and the Gulf in general.

● Banks are having to re-examine the level at which they pitch default clauses in rescheduling agreements.

● The case highlights the sheer number of companies in the non-oil private sector, particularly in Saudi Arabia, which have had to be helped in the last three years.

● It will demonstrate, to some degree at least, how effective legal redress is in cases of this kind.

● Some further clues may emerge as to whether Western banks, operating on the premise that payment of interest is fundamental, can be reconciled in Saudi Arabia with an Islamic society, the basis of which is the rejection of bank interest.

Although debt paper is actively traded, some bankers professed shock that a debtor should, through an agent, purchase enough of the debt to prevent default being declared.

In the United Arab Emirates, banks have resorted to a two-pronged approach to this problem. One leading bank has quietly established a "corporate dustbin" - a separate company

into which problem loans have been offloaded. The company is a separate legal entity and the bank was thus able to produce a respectable 1987 balance sheet.

Alternatively, banks pitch the default clause at, say 51 per cent, Four of these companies were ranked as recently as last June among the top 100 companies in the kingdom in terms of sales.

The scale of known acute corporate indebtedness - and banks are understandably reluctant to

the major source of new money, faced with such a burden of bad debt?

Saudi banks are in fact showing signs of recovery. First-quarter net earnings reported by six (excluding Al-Rahi Banking and Investment Company which received commercial banking status only in March) are up by an average 135 per cent compared with the first quarter of 1987.

The climate, says one Riyadh banker, is more stable. "There are still good companies - medium-sized as well as the bigger ones. Good people have emerged who have learned how to trim costs."

But the banks' performances are very uneven and one single quarterly result is not a valid indication of sustained recovery.

Only recently, when the problem of delinquent borrowers could no longer be ignored, the Saudi system reacted in the form of a three-man banking committee established by the Saudi Arabian Monetary Agency (Sama), the country's central bank.

Although the Saudi British/AAA case will be heard by the Jeddah Negotiable Instru-

ments Committee, it is Sama which is seen as the symbol of effectiveness because of the powers it has been given. It can - theoretically - stop bad debtors leaving the country, force businessmen to pay back bad loans, freeze their bank accounts and attach their assets.

Recent reports suggest, however, that the existence of the Sama three-man committee has not restored confidence among Gulf bankers, many of whom are now willing to sell their debt at a substantial discount rather than go to all the trouble and expense of fighting their way through the system.

The fact is that, for all their modern infrastructure, Saudi Arabia and the Gulf states remain countries where quiet consensus and arrangements between individuals count for at least as much as institutions with their formal written procedures.

But in the long run it is the question of whether the Saudi system - fundamentally hostile to Western notions of bank interest - can ever happily co-exist at home with banking practices which depend on that very interest element.

Robin Allen reports from Dubai on the increasing problem of delinquent borrowers in the Gulf

making it harder for the debtor to buy its own debt paper through a third party.

AAA is not the largest rescheduling problem to have hit the kingdom's banks, though it has the distinction of being owned by Amir Zaid Sudairy, a scion of one of Saudi Arabia's leading princely families. More important, it is symptomatic of the wider malaise that continues to affect the non-oil private sector.

There are at least 12 corporate reschedulings either signed or being negotiated involving amounts of more than SR6bn,

talk about what is under the surface - amounted to some 3 per cent of total non-oil gross domestic product for 1986.

All the companies involved thrived on the back of huge oil revenues and proportionate government spending. The days of easy revenue and free spending are over - probably for good.

The question as put by one Gulf banker is: "How do you translate oil revenue into self-sustaining public and private sector business with the absorptive capacities of these countries being so low and with the banks,

SAB lifts sales and profits

BY JIM JONES IN JOHANNESBURG

SOUTH AFRICAN Breweries (SAB), the diversified brewing and consumer products group, increased real sales and profits in the year to March and expects further real growth in the present financial year.

The volume of beer sales rose by 13 per cent while demand for the other consumer products marketed by the group increased along with improved consumer spending.

Turnover advanced to R3-95bn (\$3-95bn) from R7-08bn and the pre-tax profit rose to R512.4m from R389.6m.

Mr Meyer Kahn, the group's managing director, says that the 23 per cent increase in turnover reflects SAB's effectiveness in meeting mass market consumer needs.

He believes that consumer spending will moderate in the current year but that the recent credit curbs imposed by the government were a timely and necessary brake.

Interest rates have been raised by the South African Reserve Bank and credit tightened to restrict imports which narrowed the trade surplus in the first quarter of calendar 1988.

SAB's interests outside beer include hotels, supermarkets, furniture manufacturing, and clothing and furniture retailing. The group is indirectly controlled by Anglo American Corporation, South Africa's largest mining and industrial group.

Net earnings increased to 146.5 cents a share from 112.3 cents and the year's dividend has been increased to 66 cents a share from 50 cents.

● Lion Match, the former South African subsidiary of Wilkinson Sword which was sold to SAB last year, lifted sales and profits in the 15 months to March.

Turnover increased to R223m from the previous year's R147m, and the pre-tax profit was R17.6m against R15.0m.

The directors say that all divisions increased their contributions to profits, particularly the appliances division which markets small household appliances.

Debt has been increased to finance modernisation of the packaging operations. Lion was sold to SAB last year and has changed its financial year-end to coincide with that of its new parent.

Net earnings increased to 24.5 cents a share from the previous year's 21.5 cents and the total dividend is 35 cents against 10.6 cents.

● Edgars, the clothing and textiles retail chain which is also controlled by SAB, benefited from increased retail consumer spending in the past financial year and expects a further increase in sales and profit this year despite a forecast slowing of consumer demand.

Turnover rose to R1.18bn in the 52 weeks to March 26 from R0.93bn in the preceding year while pre-tax profit increased to R117.7m from R77.7m.

The directors say that the turnover increase represents a real growth in sales of 7 per cent and that this was achieved in part with increased credit sales.

The board adds that recent credit curbs will temper consumer spending but is budgeting for a further increase in net earnings this year.

Earnings rose to 141.7 cents a share from 94.7 cents and the dividend has been increased to 53.5 cents a share from 40 cents.

B and B buys 20% stake in Raleigh

By Wong Sulong in Kuala Lumpur

A CORPORATE exercise being mounted in Malaysia will result in B and B Enterprise, a private company, tightening its control over a conglomerate that will include four listed companies.

B and B, owned by Mr Vincent Tan and Malay businessmen believed to be nominees of prominent politicians, will buy 20.1 per cent of the Raleigh group for 38.8m ringgit (US\$15m).

Raleigh itself has announced two acquisitions: a 32.8 per cent stake in Sports Toto, a fast-growing lottery organisation, and a 55.3 per cent stake in the diversified Berjaya Corporation.

Raleigh is paying nearly 90m ringgit for its Sports Toto stake, acquired mainly from the Ministry of Finance, and some 190m ringgit for the holding in Berjaya which is controlled by B and B.

Berjaya holds 53 per cent of Sports Toto, 48 per cent of Regnis Malaysia (distributor of Singer products), 28 per cent in South Pacific Textiles, and 19 per cent in United Prime Insurance.

Sterling Drug divests from South Africa

BY OUR JOHANNESBURG CORRESPONDENT

STERLING DRUG, the US pharmaceuticals company recently acquired by Eastman Kodak, has divested from South Africa. Its local operations have been sold to Adcock-Ingram, the pharmaceutical subsidiary of the Tiger Oats group, for R52.5m (\$18m at the current financial rand exchange rate).

The divestment allows Adcock to continue using the Sterling brand names. In this, the divestment differs from that of Kodak itself. It pulled out of South Africa last year and does not allow its products to be sold in the country.

No details have been given of Sterling's sales or operating profits. However, the company employs 300 people at its manufacturing facility in Durban.

Tiger Oats, a diversified South African food group indirectly controlled by Barlow Rand, the industrial and mining group, said yesterday that it increased its own turnover by 16.7 per cent in the year to March. Trading margins widened through improved processing and distribution efficiencies.

The directors expect the food industry's current growth rates to be maintained in the current year. The Oceana Fishing subsidiary improved its catches.

Turnover increased to R2.47bn from R2.11bn, operating profits (before investment income, interest and tax) to R160.4m from R114.2m, and pre-tax profits to R160.8m from R116.7m.

In April this year, Tiger paid R80m for a 50 per cent interest in Langeberg Foods, formerly a wholly-owned subsidiary of the Cape-based Langeberg farmers co-operative. The group has also acquired minority interests in a chicken battery subsidiary and increased its interest in the Adcock-Ingram pharmaceutical subsidiary, which bought the Sterling Drug offshoot, to 74.9 per cent from 73.1 per cent.

Net earnings at Tiger rose to R6.6 a share from R4.52 and the year's dividend has been increased to R1.55 from R1.34.

● Substantially improved pelagic fish catches and a reversal of frozen foods losses combined to lift turnover and profits of Fedfood, the foods group controlled by Sanlam, the South African insurance company.

Turnover was R1.01bn against R973m and pre-tax profits rose to R60.9m from R47.4m.

Net earnings rose to 129 cents a share from 104 cents and the year's dividend has been increased to 38 cents from 32 cents.

U.S. \$500,000,000 RENFE Red Nacional de los Ferrocarriles Españoles Floating Rate Notes due 1998 Unconditionally guaranteed by The Kingdom of Spain

Shawmut Corporation U.S.\$50,000,000 Floating Rate Subordinated Notes Due 1997

Midland Bank plc Subordinated Floating Rate Notes 2001

Compagnie Financière de Crédit Industriel et Commercial Floating Rate Notes Due 1997

Nichimen Corporation (Nichimen Kabushiki Kaisha) U.S.\$150,000,000 4 per cent. Guaranteed Notes Due 1993 with Warrants

KOBE ELECTRIC RAILWAY CO., LTD. U.S.\$50,000,000 4 1/8 per cent. Guaranteed Notes due 1993 with Warrants

INTERNATIONAL CAPITAL MARKETS AND COMPANIES

Stefan Wagstyl on reactions to US moves to block Japanese expansion Fed warned not to play tit-for-tat

THE CHAIRMAN of the Federation of Bankers' Associations of Japan yesterday warned the US monetary authorities against blocking Japanese companies from expanding in America.

Mr Kazuo Iwaki was referring to the pressure the Federal Reserve Bank of New York reportedly put on Fuji Bank, Japan's third-largest bank, to scrap a plan to buy control of a British-owned primary dealer operating in the US government bond market.

Fuji this week announced plans to acquire a 24.9 per cent stake in Kleinwort Greaves Securities, an affiliate of Kleinwort Benson, the UK merchant bank. It had initially considered an outright purchase. Mr Iwaki said that if protectionist moves emerged in financial services, they could hinder the international flow of funds and disrupt financial and capital markets.

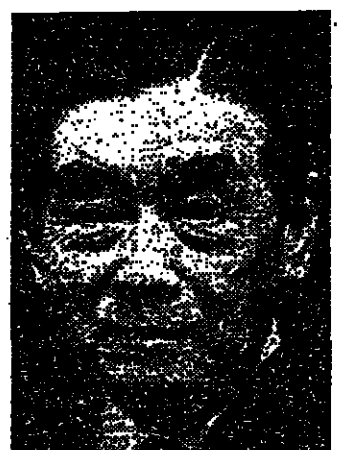
Japanese bankers and brokers believe that the Fed's moves have been spurred by fears in US political circles of Japanese dominance of American financial markets. They are deeply worried about the Trade Bill, which has been passed by the US Congress and is now awaiting President Reagan's decision. This contains a clause which would ban foreign

companies from becoming primary dealers unless their home countries granted similar access to US companies.

Some bankers add that the US is playing tit-for-tat - reacting to the slow pace of Japanese moves to open the Tokyo government bond market fully to foreign companies. Apart from Fuji Bank, Yamachi Securities, one of Japan's Big Four stockbrokers, which has built a US government bond dealing operation from scratch and has been seeking a place as a primary dealer for more than a year, believes its plans to join the inner circle this summer may be delayed.

It fears its application could be held up by the Fed until the end of the year. Japanese banks have been shocked by the difficulties they have encountered in making acquisitions of US financial companies.

Last year, the Fed indicated that one reason it was dragging its feet on applications by Japanese banks to become primary dealers was its unhappiness about their relatively small capital bases. This concern was a major reason behind Japan's decision last autumn to support proposals by the Bank for International Settlements, the central banks' organisation, to lay down



Kazuo Iwaki, chairman of Japan's Federation of Bankers' Associations

worldwide standards for capital adequacy. Four of the primary dealers are owned by Japanese companies - Nomura Securities, Daiwa Securities, Nikko Securities and Industrial Bank of Japan.

Long-Term Credit Bank and Sanwa Bank have applications pending to buy respectively Greenwich Capital Market and

Brophy, Gestal, Knight. Their current total market share is not large but it would be greatly expanded if all the leading Japanese banks which would like to buy primary dealerships were permitted to do so.

Meanwhile, the Japanese Ministry of Finance yesterday put a damper on hopes of a quick settlement to the argument over access to markets which has erupted between Japan and the US.

Mr Tameo Fujita, director general of the ministry's securities bureau, said the Tokyo Stock Exchange had no plans for the time being to expand its membership. He was commenting on a British request, advanced by Mrs Margaret Thatcher, the British Prime Minister, in her recent meeting with Mr Noboru Takeshita, Japan's Prime Minister, for two more UK companies to be granted seats on the exchange.

These are Barclays de Zoete Wedel, a subsidiary of Barclays Bank, and James Capel, an affiliate of Hongkong and Shanghai Bank. The UK has reacted by blocking applications from Nomura and Daiwa, Japan's two largest securities companies, from becoming market makers in the British government bond market.

Canada withdraws foreign bank rule

By David Owen in Toronto

CANADIAN REGULATORS have dropped a policy in force since 1980 which effectively obliged foreign banks operating in Canada to allocate some 10 per cent of their portfolio to the corporate middle market. The market was loosely defined as corporations with fewer than 3,000 employees and less than C\$250m in assets.

Banks which did not comply with the policy ran the risk of having their requests for capital increases denied.

The development follows two years of declining profits for most of the 57 foreign banks in Canada. Aggregate profits slumped to C\$18.5m for the year ended October 31 1987, according to an annual survey conducted by Price Waterhouse down from C\$72m in 1986 and C\$110.9m in 1985.

As in 1986, Citibank was the most profitable foreign bank in Canada, with net income of C\$67.7m, including a C\$36.7m extraordinary credit.

Currently, foreign banks account for some 11.9 per cent of the total domestic assets of all Canadian banks.

Interest rate fears send tremor through markets

By Dominique Jackson

FEARS OF rising interest rates sent an initial tremor through the Eurobond markets yesterday. The Danish bond market also received a boost after Denmark's elections on hopes that conservative Prime Minister Poul Schluter would be able to form a new coalition government.

In West Germany, prices were marked down in initial trade.

France, the undertone was firmer following the popular nomination of Prime Minister Michel Rocard. The Danish bond market also received a boost after Denmark's elections on hopes that conservative Prime Minister Poul Schluter would be able to form a new coalition government.

In West Germany, prices were marked down in initial trade.

INTERNATIONAL BONDS

Sentiment received a further battering on the news that the Bundesbank did not fully replace DM11.2bn worth of repurchase agreements which expired yesterday.

However, activity was extremely light on both the German and the Dutch markets ahead of today's Ascension Day holiday which is expected to be the start of a long weekend for most traders. By the end of the day, positions squaring had restored many losses and both Eurobond and Government bond prices finished narrowly mixed. Dutch dealers wound down positions ahead of the holiday and several adjusted prices in line with the 6.21 per cent yield set on the new 91.22bn per cent six-year state loan issue.

Only one new Eurobond issue emerged yesterday, for Toyota Motor Credit Corporation. J.P. Morgan was the lead manager on the three-year C\$100m deal which was pitched at 10 per cent and secured a net coupon on its launch of 30 basis points over Canadian government bonds.

Although the sector has seen its fair share of new paper lately, the issue was expected to see

healthy demand in the Far East where Tuesday's three-year C\$100m deal for Hong Kong's Mass Transit Railway was also very popular.

Yesterday's Toyota deal, which was swapped into floating-rate US dollars, follows a Canadian dollar deal by the borrower earlier this year. The previous issue, also for three years with a coupon of 11 per cent, is now trading at the same level as comparable Canadian government bonds.

A syndicate manager at a house not involved in the deal said the pricing was fair, in line with most previous Toyota deals, adding that the borrower's top credit rating and the attractive premium offered by the new issue over the previous 11 per cent deal would ensure good demand.

Tuesday's deal for Mass Transit was said to be holding up well while the day's other offering for Landesbank Schleswig-Holstein had slipped to trade outside its issue.

In Switzerland, bond prices closed a touch lower in subdued trading ahead of today's holiday. Eurobond prices, where changed, finished an average of 1/4 point down and domestic issues registered similar net losses.

The day's sole new issue was a SFR12m note for the new Brunswick Electric Power Commission, guaranteed by the Province of New Brunswick. The Credit Suisse-led deal carries a 4 per cent coupon and is priced at 101 1/2.

In equity-linked issues, Nikko Securities met the coupon on its \$150m deal for Keihan Electric Railway at 4 per cent.

Yamaichi International also set the coupon at 4 per cent on its \$100m Mitsubishi Oil deal.

Switzerland, bond prices closed a touch lower in subdued trading ahead of today's holiday. Eurobond prices, where changed, finished an average of 1/4 point down and domestic issues registered similar net losses.

The day's sole new issue was a SFR12m note for the new Brunswick Electric Power Commission, guaranteed by the Province of New Brunswick. The Credit Suisse-led deal carries a 4 per cent coupon and is priced at 101 1/2.

In equity-linked issues, Nikko Securities met the coupon on its \$150m deal for Keihan Electric Railway at 4 per cent.

Yamaichi International also set the coupon at 4 per cent on its \$100m Mitsubishi Oil deal.

Interim rise for African Oxygen

By Jim Jones in Johannesburg

AFRICAN OXYGEN (Afrox), the South African subsidiary of BOC International of the UK, increased its turnover and profits in the six months to end-March. It attributed the better results to greater market penetration and new applications for the company's products.

First-half turnover was lifted to R268.4m (\$121.9m), from R213.5m in the same period last year, and pre-tax profits were R53.5m against R37.7m.

Divisions serving the industrial and mining sectors increased their trading activities. However, profits at the company's private hospitals have been restrained by medical tariff limits.

Net earnings rose to 67.0 cents a share from 33.4 cents and the interim dividend has been increased to 30 cents a share from 24 cents. Last year's earnings were 113.6 cents a share and the total dividend was 61 cents.

Tax move lifts Indonesian SE

By John Murray Brown in Jakarta

INDONESIA'S infant stock exchange has been given a boost, with the index up 20 per cent in recent weeks in anticipation of government moves to tax interest earned on bank savings and deposit accounts.

The market, which lists just 24 stocks and has been hampered because dividends incur tax, has surged past the 100 mark for the first time since July 1983.

The move to tax deposit interest, though criticised by some, would also provide vital state revenues at a time when the budget looks increasingly tight.

Opposition to the move has come from the Indonesian Chamber of Commerce and the National Private Banks Association, which fear it could encourage depositors to move funds offshore, causing serious damage to the balance of payments.

Indonesia suffered a confidence-sapping run on the rupiah last year. However, bankers say dollar demand now remains fairly steady.

Tax on savings interest has

declined in real terms since the banking reforms. Moreover, according to Bank Indonesia, 55 per cent of Mr rupiah money supply is "under the mattress" funds, all of which could be usefully tapped by banks.

Tax changes would also provide a tonic for the over-the-counter stock market, plans for which were unveiled in December. Officials say it will be less regulated and, furthermore, allow in foreign buyers for the first time.

On the existing exchange, Astra, the country's second-largest industrial concern, is to float a 60m rupiah bond issue next month. Bapindo, the state development bank, and Jasa Marga, the highways authority, also plan to issue paper.

Without a tax change, the Astra issue, which carries a coupon of 17 per cent and is guaranteed by Citibank, may find it hard attracting funds now earning interest on deposit at between 17 and 20 per cent tax-free.

been mooted ever since deregulation measures in 1983 allowed banks to bid up interest rates in competition for funds. The favourable tax treatment, together with high interest rates, resulted in record levels of savings - put at 15,600m rupiah (\$9.25bn) in February.

The policy was also seen as a way to support the external value of the rupiah, which remains freely convertible. However, last year's currency crisis undermined the need for a more sophisticated money market. "The Government is beginning to recognise the distortions in capital flows caused by the tax exemption," says one foreign banker.

Hitherto, cash-rich institutions were attracted to take out deposit accounts. In turn, the banks had little incentive to gather funds from private sources. Indonesia is among the world's least banked countries, with even fewer bank accounts per head than India.

Bankers say that, while savings have grown dramatically, the value of current accounts has

Dutch toughen proposals on insider trading

THE DUTCH Government has toughened proposals to curtail insider trading by making all such trades illegal even if they fail to generate profits, Reuter reports from Amsterdam.

The plans are expected to win all-party support in parliament and could come into force at the end of this year, setting harsh fines and prison sentences.

Amendments to the Government's original proposal followed criticism from parliament that it outlawed insider trading only if investors effectively made money from trading with privileged information.

The proposal sets a maximum penalty of two years imprisonment and a fine of up to Fl 100,000 for individuals. Institutions can be fined up to Fl 1m.

The original proposal was presented to parliament last spring in an attempt to bring to an end insider trading, which goes against the 1987 Amsterdam Stock Exchange code of conduct but is not illegal in the Netherlands.

At present, the bourse can only rebuke investors caught trading on inside information, or cancel trade done in a suspect stock.

Taiwan to relax broker rules

TAIWAN is to resume granting licences for new securities firms and to allow foreigners to invest in local securities houses from May 19, AP-Dow Jones reports from Taipei.

The Finance Ministry has proposed the new rules as part of

Taiwan to relax broker rules

Government plans to expand the securities market and give Taiwan investors easier access.

Local companies will be free to engage in securities business, including brokerage, underwriting and trading, subject to government approval.

FT INTERNATIONAL BOND SERVICE

Listed are the latest international bonds for which there is an adequate secondary market.

Clipping prices on May 11

YEN STRAIGHTS Issued Bid Offer Day Week Yield
 Aibay 100 94.5 95.5 -0.1 9.20
 Belgium 5% 92 101.5 102.5 -0.1 9.48
 Brazil 10% 92 98.5 99.5 -0.1 9.21
 Canada 4% 92 98.5 99.5 -0.1 9.28
 Elec. De France 5% 94 100 100.5 -0.1 9.07
 India 5% 93 91 92 -0.1 9.17
 Mex. Gov. 5% 94 99 99.5 -0.1 9.21
 Norway 5% 92 100.5 101.5 -0.1 9.21
 Sweden 4% 92 100.5 101.5 -0.1 9.21
 World Bank 5% 92 100.5 101.5 -0.1 9.21
 Average price change: On day -0.1 on week -0.1

OTHER STRAIGHTS Issued Bid Offer Day Week Yield
 Aibay 100 94.5 95.5 -0.1 9.20
 Alg. Gov. 5% 92 100 100.5 -0.1 9.21
 Arg. Gov. 5% 92 100 100.5 -0.1 9.21
 Aus. Gov. 5% 92 100 100.5 -0.1 9.21
 Belg. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 10% 92 100 100.5 -0.1 9.21
 Br. Gov. 15% 92 100 100.5 -0.1 9.21
 Br. Gov. 20% 92 100 100.5 -0.1 9.21
 Br. Gov. 25% 92 100 100.5 -0.1 9.21
 Br. Gov. 30% 92 100 100.5 -0.1 9.21
 Br. Gov. 35% 92 100 100.5 -0.1 9.21
 Br. Gov. 40% 92 100 100.5 -0.1 9.21
 Br. Gov. 45% 92 100 100.5 -0.1 9.21
 Br. Gov. 50% 92 100 100.5 -0.1 9.21
 Br. Gov. 55% 92 100 100.5 -0.1 9.21
 Br. Gov. 60% 92 100 100.5 -0.1 9.21
 Br. Gov. 65% 92 100 100.5 -0.1 9.21
 Br. Gov. 70% 92 100 100.5 -0.1 9.21
 Br. Gov. 75% 92 100 100.5 -0.1 9.21
 Br. Gov. 80% 92 100 100.5 -0.1 9.21
 Br. Gov. 85% 92 100 100.5 -0.1 9.21
 Br. Gov. 90% 92 100 100.5 -0.1 9.21
 Br. Gov. 95% 92 100 100.5 -0.1 9.21
 Br. Gov. 100% 92 100 100.5 -0.1 9.21
 Average price change: On day -0.1 on week -0.1

This announcement appears as a matter of record only.

U.S. \$1,200,000,000

Revolving Credit Facility

Arranged by

Bank of Montreal Manufacturers Hanover Trust Company Citibank, N.A.

for

JOSEPH E. SEAGRAM & SONS, INC.

to facilitate the purchase of

Tropicana

TROPICANA PRODUCTS, INC.

Funds Provided by

Bank of Montreal Citibank, N.A. Manufacturers Hanover Trust Company

Banque Paribas Crédit Lyonnais The Royal Bank of Canada

Société Générale Swiss Bank Corporation

Crédit Agricole Deutsche Bank AG Dresdner Bank AG

First Interstate Bank of California National Westminster Bank PLC

The Toronto-Dominion Bank Westpac Banking Corporation

The Bank of New York The Bank of Tokyo Trust Company Banque Nationale de Paris

Canadian Imperial Bank of Commerce Lloyds Bank PLC Pittsburgh National Bank

Manufacturers Hanover Trust Company
as Administrative Agent

April 1988

Rome approves secondary state bond market

MR GIULIANO AMATO, Italy's Treasury Minister, yesterday signed a decree approving a convention to regulate a new secondary market in government bonds, Reuter reports from Rome.

A Bank of Italy official said the new system, under which a group of primary dealers will quote on Reuter terminals, was scheduled to begin in experimental form next Monday.

The convention was signed by market operators, including all of Italy's leading banks, last week. Bankers said 18 primary dealers and around 100 traders had so far signed the convention.

From Monday, the primary dealers will each quote real-time prices for at least five government bonds and undertake to trade at these prices.

The Bank of Italy has said that the new system should have a positive impact on the balance of payments, allow a more efficient monetary policy, and help the management of public debt.

Bankers estimate that turnover in government bonds and bills guaranteed by the Government was around L450,000bn last year, indicating far less trading than in many other government bond markets.

Telerate sells S African unit

Telerate, a subsidiary of US publisher Dow Jones, has sold its South African unit to a local electronics company and will withdraw from the country, Reuter reports from Johannesburg.

Altech Electronic Systems Group, a subsidiary of Allied Electronics, South Africa's biggest electronics group, has acquired the entire issued share capital of Telerate South Africa from Dow Jones.

Allied Electronics last year bought the South African interests in Xerox and Motorola after the US parent companies divested.

FT INTERNATIONAL BOND SERVICE

Listed are the latest international bonds for which there is an adequate secondary market.

Clipping prices on May 11

YEN STRAIGHTS Issued Bid Offer Day Week Yield
 Aibay 100 94.5 95.5 -0.1 9.20
 Belgium 5% 92 101.5 102.5 -0.1 9.48
 Brazil 10% 92 98.5 99.5 -0.1 9.21
 Canada 4% 92 98.5 99.5 -0.1 9.28
 Elec. De France 5% 94 100 100.5 -0.1 9.07
 India 5% 93 91 92 -0.1 9.17
 Mex. Gov. 5% 94 99 99.5 -0.1 9.21
 Norway 5% 92 100.5 101.5 -0.1 9.21
 Sweden 4% 92 100.5 101.5 -0.1 9.21
 World Bank 5% 92 100.5 101.5 -0.1 9.21
 Average price change: On day -0.1 on week -0.1

OTHER STRAIGHTS Issued Bid Offer Day Week Yield
 Aibay 100 94.5 95.5 -0.1 9.20
 Alg. Gov. 5% 92 100 100.5 -0.1 9.21
 Arg. Gov. 5% 92 100 100.5 -0.1 9.21
 Aus. Gov. 5% 92 100 100.5 -0.1 9.21
 Belg. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 10% 92 100 100.5 -0.1 9.21
 Br. Gov. 15% 92 100 100.5 -0.1 9.21
 Br. Gov. 20% 92 100 100.5 -0.1 9.21
 Br. Gov. 25% 92 100 100.5 -0.1 9.21
 Br. Gov. 30% 92 100 100.5 -0.1 9.21
 Br. Gov. 35% 92 100 100.5 -0.1 9.21
 Br. Gov. 40% 92 100 100.5 -0.1 9.21
 Br. Gov. 45% 92 100 100.5 -0.1 9.21
 Br. Gov. 50% 92 100 100.5 -0.1 9.21
 Br. Gov. 55% 92 100 100.5 -0.1 9.21
 Br. Gov. 60% 92 100 100.5 -0.1 9.21
 Br. Gov. 65% 92 100 100.5 -0.1 9.21
 Br. Gov. 70% 92 100 100.5 -0.1 9.21
 Br. Gov. 75% 92 100 100.5 -0.1 9.21
 Br. Gov. 80% 92 100 100.5 -0.1 9.21
 Br. Gov. 85% 92 100 100.5 -0.1 9.21
 Br. Gov. 90% 92 100 100.5 -0.1 9.21
 Br. Gov. 95% 92 100 100.5 -0.1 9.21
 Br. Gov. 100% 92 100 100.5 -0.1 9.21
 Average price change: On day -0.1 on week -0.1

FLUENT RATE NOTES
 Alberta 3% 92 100.25 100.25 0.00 8.17
 Belgium 5% 92 101.5 101.5 0.00 9.48
 Br. Gov. 5% 92 100 100.5 -0.1 9.21
 Canada 4% 92 98.5 99.5 -0.1 9.28
 Citi. 5% 92 100 100.5 -0.1 9.21
 Elec. De France 5% 94 100 100.5 -0.1 9.07
 India 5% 93 91 92 -0.1 9.17
 Mex. Gov. 5% 94 99 99.5 -0.1 9.21
 Norway 5% 92 100.5 101.5 -0.1 9.21
 Sweden 4% 92 100.5 101.5 -0.1 9.21
 World Bank 5% 92 100.5 101.5 -0.1 9.21
 Average price change: On day -0.1 on week -0.1

CONVERTIBLE
 Aibay 100 94.5 95.5 -0.1 9.20
 Alg. Gov. 5% 92 100 100.5 -0.1 9.21
 Arg. Gov. 5% 92 100 100.5 -0.1 9.21
 Aus. Gov. 5% 92 100 100.5 -0.1 9.21
 Belg. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 10% 92 100 100.5 -0.1 9.21
 Br. Gov. 15% 92 100 100.5 -0.1 9.21
 Br. Gov. 20% 92 100 100.5 -0.1 9.21
 Br. Gov. 25% 92 100 100.5 -0.1 9.21
 Br. Gov. 30% 92 100 100.5 -0.1 9.21
 Br. Gov. 35% 92 100 100.5 -0.1 9.21
 Br. Gov. 40% 92 100 100.5 -0.1 9.21
 Br. Gov. 45% 92 100 100.5 -0.1 9.21
 Br. Gov. 50% 92 100 100.5 -0.1 9.21
 Br. Gov. 55% 92 100 100.5 -0.1 9.21
 Br. Gov. 60% 92 100 100.5 -0.1 9.21
 Br. Gov. 65% 92 100 100.5 -0.1 9.21
 Br. Gov. 70% 92 100 100.5 -0.1 9.21
 Br. Gov. 75% 92 100 100.5 -0.1 9.21
 Br. Gov. 80% 92 100 100.5 -0.1 9.21
 Br. Gov. 85% 92 100 100.5 -0.1 9.21
 Br. Gov. 90% 92 100 100.5 -0.1 9.21
 Br. Gov. 95% 92 100 100.5 -0.1 9.21
 Br. Gov. 100% 92 100 100.5 -0.1 9.21
 Average price change: On day -0.1 on week -0.1

STRAIGHT BONDS
 Aibay 100 94.5 95.5 -0.1 9.20
 Alg. Gov. 5% 92 100 100.5 -0.1 9.21
 Arg. Gov. 5% 92 100 100.5 -0.1 9.21
 Aus. Gov. 5% 92 100 100.5 -0.1 9.21
 Belg. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 5% 92 100 100.5 -0.1 9.21
 Br. Gov. 10% 92 100 100.5 -0.1 9.21
 Br. Gov. 15% 92 100 100.5 -0.1 9.21
 Br. Gov. 20% 92 100 100.5 -0.1 9.21
 Br. Gov. 25% 92 100 100.5 -0.1 9.21
 Br. Gov. 30% 92 100 100.5 -0.1 9.21
 Br. Gov. 35% 92 100 100.5 -0.1 9.21
 Br. Gov. 40% 92 100 100.5 -0.1 9.21
 Br. Gov. 45% 92 100 100.5 -0.1 9.21
 Br. Gov. 50% 92 100 100.5 -0.1 9.21
 Br. Gov. 55% 92 100 100.5 -0.1 9.21
 Br. Gov. 60% 92 100 100.5 -0.1 9.21
 Br. Gov. 65% 92 100 100.5 -0.1 9.21
 Br. Gov. 70% 92 100 100.5 -0.1 9.21
 Br. Gov. 75% 92 100 100.5 -0.1 9.21
 Br. Gov. 80% 92 100 100.5 -0.1 9.21
 Br. Gov. 85% 92 100 100.5 -0.1 9.21
 Br. Gov. 90% 92 100 100.5 -0.1 9.21
 Br. Gov. 95% 92 100 100.5 -0.1 9.21
 Br. Gov. 100% 92 100 100.5 -0.1 9.21
 Average price change: On day -0.1 on week -0.1

INT'L COMPANIES AND FINANCE

John Barham in Sao Paulo looks at the changing trends in a struggling industry

Hope returns to Brazil's car sector

A GLIMMER of hope has returned to the shell-shocked Brazilian car industry. Sales are picking up, prices are about right and companies are dusting off investment projects.

But no one is celebrating just yet. As one executive explained: "Last year was so awful that even if sales improve by 50 per cent this year, we will still be doing badly."

Sales in 1987 collapsed to the levels of 14 years ago and balance sheets slid into the red. Ford lost \$28m, down 137 per cent on 1986. Volkswagen lost \$185m, 42 per cent below the figure for previous year.

Company officials complain that a succession of plans for straightening out the economy have visited chaos on the car industry. For two years, the government has tried to eliminate inflation. Although prices kept rising in 1986, retail prices remained frozen.

The more cars factories turned out, the greater their losses. Then in 1987, Brazil sank into recession and chaos. Car sales fell by a third, but price controls remained in force.

Now Mr Malison da Nobrega, the Finance Minister, has begun unchaining market forces by allowing the car companies greater leeway in setting their prices. Better prices have stemmed losses on domestic sales.

Even though prices have risen steeply, sales volumes have also grown. In the first quarter, sales were 163,000 units, 25 per cent more than a year earlier. Mr Aruan Andriolo, a General Motors economist, said: "People are buying cars to avoid future price rises or as investments."

But the industry's troubles are far from over. Severe economic problems will continue to torment Brazil this year. Real wages are likely to fall further, interest rates will remain high and inflation could double to 700 per cent.



Jobs on the line: workers at a Sao Paulo car plant

Costs will probably continue to rise above inflation, forcing a decline in local and export sales. The chaotic economy cannot consume as many cars as the industry can produce. Even if demand keeps growing at 25 per cent for the rest of the year, total sales will still be a far cry from the 1m units sold in 1985.

The companies say taxes are too high. Taxes make up 42 per cent of the retail price. The Government has already reduced taxes considerably, but the industry still wants less. If taxes were lower, prices could come down and sales would rise.

Mr André Beer, a GM vice president, said weak sales make it hard to justify investments, since the domestic market buys about two-thirds of the factories' output. The rest is exported.

Brazilian cars are also becoming increasingly antiquated. One of General Motors' most successful models is a revamped version of a 1982 Opel. Volkswagen has not launched a new model in four years. Ford has postponed introduction of the Escort.

Autolatina, the holding company that operates the Ford and VW subsidiaries in Brazil, says it will invest \$200m this year to expand capacity and facelift some of its models. To make things worse, an overvalued exchange rate makes it unprofitable to export the cars. Brazilians cannot afford to buy. Volkswagen has already reduced exports of its Fox compact to North America because it loses 27 cents on every dollar it exports. Ford's exports were almost four times greater than in 1986, but it has now had to cancel orders.

The fight for the domestic market is therefore becoming all the fiercer. Four companies make cars in Brazil. Autolatina makes 60 per cent of all Brazil's cars, while Fiat and General Motors split the rest of the market fairly evenly between them.

The Government has controlled prices on and off for the past 20 years. A marketing executive said "in a way, price controls suit companies, since everyone gets the same increase, you don't have to worry about the competition so much."

Mr Nobrega was shrewd to relax price controls. By allowing companies to increase prices by

more than the market can bear, he is reawakening their competitive instincts. Autolatina is increasing prices below the official limit, as does General Motors. Only Fiat is raising its prices to the legal ceiling.

The companies also want to show they can be trusted not to abuse their freedom. Mr Beer said: "We practically have free prices now. A company can help pull inflation down with lower prices and position itself better in the market."

Selling to a shrinking market is a difficult business. Because only Ford and VW publish balance sheets, it is hard to tell how Fiat and GM are faring.

Ford executives have grumbled that their marriage with VW would hurt the company because Volkswagen was inefficient and poorly managed. In fact, it is hard to tell which company did worse. Ford increased its market share by a microscopic 0.3 of a percentage point, at the cost of a 41 per cent fall in sales revenues and a huge drop in profit.

Although Volkswagen suffered a similar decline in revenues and lost 10 per cent of its market, it sank into the red more slowly than Ford did. Thanks to Autolatina, both companies cut administrative costs by half.

In the end, though, making cars in Brazil will only become a profitable enterprise when the domestic economy returns to normal.

Officials say the Sarney Government's sudden and unpredictable policy shifts make it all but impossible to do business in Brazil.

Says Mr Fred Carvalho, an industry analyst: "How can you plan ahead when you don't know what interest rates will be next week or what inflation will be next month. Here, it's not even possible to plan in the short term, forget about the medium or long term."

Mr Nobrega was shrewd to relax price controls. By allowing companies to increase prices by

Harrisons & Crosfield

STRONG PERFORMANCE BY ALL DIVISIONS

Preliminary unaudited results

	year ended 31st December		
	1986	1987	
Operating profit	£83.8m	£109.0m	+30%
Profit before tax	£63.0m	£90.1m	+43%
Earnings per Ordinary share	31.4p	47.0p	+50%
Recommended Dividend per Ordinary share	22.0p	26.0p	+18%
Dividend cover	1.43	1.81	

The Chairman, Mr Tom Prentice, said

"Good progress was made in all Divisions with Chemicals continuing to be the most profitable activity.

An excellent start has been made to the current year in propitious and favourable conditions and, if these continue, the outlook for 1988 is most satisfactory."

*The figures for the year to 31st December 1986 are an extract from the full accounts for that year which have been filed with the Registrar of Companies and on which the auditors gave an unqualified opinion.

Harrisons & Crosfield PLC
1-4 Great Tower Street, London EC3R 5AB

Senator calls for Electroflux probe

A US SENATOR has urged the Securities and Exchange Commission to investigate possible securities law violations by Electroflux in its bid for Murray Ohio Manufacturing.

Senator Jim Sasser, a member of the Senate Banking Committee's Securities Subcommittee, supports a suit filed on Monday by Murray which temporarily prevents Electroflux from buying any of its shares.

Placer posts earnings rise

BY OUR FINANCIAL STAFF

PLACER DOME, the big Canadian gold producer, has announced a sharp rise in first-quarter earnings and plans to sell its holdings in Falconbridge, the Canadian metals group.

Operating net profits jumped to C\$69.1m (US\$41.7m) or 18 cents a share from C\$22.5m or 11 cents. In the latest quarter, a special gain of \$500,000 made final net C\$39.6m or 18 cents. In the year-ago quarter, a special gain of

Goodyear faces worker stoppage

GOODYEAR, the largest US tyre manufacturer, may face strikes at its main US plants from next week, following a call by United Rubber Workers union for a stoppage from May 17, writes Our New York staff.

The union, which represents 18,000 of Goodyear's workforce, yesterday called for action when the company refused to reopen talks on a new three-year contract.

WHAT A TURKEY!

Indeed! There has been a lot of investment in our Turkey lately and more banks are choosing Interbank as a partner to achieve this success. That's why Interbank is one of the most profitable wholesale banks in Turkey.

We have reached this goal through up to the minute banking methods combined with almost one hundred years of experience. Our highly qualified, English speaking personnel and fully computerized,

on-line data network will give you the decided advantage in Turkey.

There is a profit in Turkey and at Interbank you can bank on it.

INTERBANK  ULUSLARARASI

For more information on Interbank please contact N.A. SHEPPARD, ULUSLARARASI ENDÜSTRİ VE TİCARET BANKASI A.Ş. BÜYÜKDERE CAD. 108, ESENTEPE, İSTANBUL-TURKEY. TEL: (1) 172 20 00 TELEX: 26098 IBGE TR.

UK COMPANY NEWS

M and S through £500m barrier

BY MAGGIE URRY

Marks and Spencer, the UK chain store operator which has just acquired Brooks Brothers, the prestigious US menswear retailer, has broken through the £500m profits barrier. It reported yesterday a pre-tax figure of £501.7m for the year ended March 31, up from £432.1m previously. The period included a 53rd week in which Easter fell. The company estimated that this added £90m to total sales of £4.6bn, which rose by 8.5 per cent over the previous 52 week period. M and S could not say what the extra profits from the 53rd week were.

Lord Rayner, chairman, said that after a bad summer there had been a recovery in the second half. Market share had been maintained in ladies' wear and increased in men's and children's

wear. Lord Rayner declined to comment on current trading. Mr Keith Oates, finance director, said net margins had improved for the third year running, this time from 10.2 per cent to 11 per cent.

Mr Oates said UK sales had risen by 5 per cent in the first half and 12 per cent in the second, giving a 10 per cent gain for the year to £4.2bn. Some 8 per cent of the increase was from volume growth, of which 4 or 5 per cent came from existing stores and the rest from new stores.

Within the divisions, clothing had seen a 6.5 per cent volume gain, however 5.6 per cent and food 10 per cent.

Mr Oates said gross margins had risen by 1 per cent. UK profits rose 16 per cent from £415.1m to £480.4m. After a first half

increase of 8 per cent, M and S achieved a 20 per cent rise in the second half.

The strength of sterling affected the translation of results from overseas businesses. Reported profits of the 11 European stores rose 41.4 per cent to £18.5m, though in local currencies they rose by more than 50 per cent.

Profits from the North American operation fell by 32.4 per cent to £2.5m, partly because the comparable period was for 14 months. In local currencies and excluding the extra two months, sales were 5 per cent higher.

The problems lay in western Canada where many retailers were reporting poor results, Lord Rayner said. M and S would like to close or sell some of the stores there, if it became possible.

Profits from financial activities fell from £4.8m to £4.2m. They include profits from the disposal of leasing activities, down from 95.2m to £1.9m, and £1.5m cost of buying in the budget accounts.

The Chargecard operation now has 2.2m cardholders, with purchases running at more than 15 per cent of UK sales. It made a profit of £200,000 compared to a £5.7m loss.

Mr Oates said that gearing at the year end was only 3.1 per cent, but was just over 26 per cent after the Brooks Brothers acquisition.

Earnings per share rose by 17.3 per cent to 12.2p and a final dividend of 3.55p net is proposed, for a total of 5.1p, up 13.3 per cent.

Management, Page 11; Lex, Back Page

Commercial Union plans life expansion

BY NICK BUNKER

Commercial Union, composite insurer, yesterday said it hoped to double over the next two years its 300-strong life assurance direct sales force in the UK, underlining the big efforts being made by Britain's big composites to step up their earnings from investment products.

In the first three months of 1988, CU invested £1.7m in building up its British life assurance, unit trust and financial services operations, said Mr John Carter, the group's UK general manager.

CU laid heavy stress on its life assurance plans as it reported yesterday a 98 per cent jump in pre-tax profits to £47.5m in the

quarter to March 31, underpinned by a buoyant trading environment in the UK.

The group has also tried to secure its distribution channels by signing up more than 500 firms of independent intermediaries and seven building societies to act as appointed representatives selling CU life products exclusively, Mr Carter added.

CU's efforts are partly a response to the Financial Services Act, which obliges intermediaries to choose between remaining independent or tying themselves to one life company.

The group's quarterly worldwide premiums were up one per

cent at £850.3m. After-tax profits climbed 81 per cent to £28.2m, with earnings per share up 60 per cent at 6.7p.

With only one incident of severe weather, a windstorm in Wales and north-western England which cost £3m, CU reported an underwriting profit of £700,000 on £28m of UK household insurance premiums.

It nevertheless plans a probable 10 per cent rise in household structure premium rates this summer, attributed by Mr Carter to indications that changing weather patterns are making losses more frequent.

CU's best performance in the

UK, however, was in industrial fire business, where it made an underwriting profit of £2.7m on premiums of only £22.6m.

The group's pre-tax profits were in the middle of the range of stockbrokers' expectations, but the shares finished the session 2p up at 94p.

With a turnover of 7.5m shares traded, the rise generated stock market gossip that a big investor could be building a stake in the group.

Adelaide Steamship, the Australian holding company, headed by Mr John Spalvina, already owns about 4.7 per cent of CU via a string of nominee accounts.

Trencherwood £10m rights for expansion

BY PATRICK DANIEL

Trencherwood, USM-quoted residential and commercial property developer, yesterday announced a 2-for-13 rights issue to raise £10.1m net of expenses to finance its expansion into the Midlands.

The Berkshire-based company is to issue 3.2m new ordinary shares at 312p - a 12.1 per cent discount on yesterday's opening price of 355p.

Commenting on earlier expectations that fast-growing Trencherwood would seek a full Stock Exchange listing, Mr Brian Eighteen, finance director, said this option had been considered but was thought unnecessary.

Mr Eighteen said, however,

expansion follows a successful regionalisation programme - with new operating companies in the southern and western regions - which helped pre-tax profits grow 77 per cent to £7.45m in the 12 months to end-October last year.

Profits are expected to be boosted this year by the sale of new commercial developments. Trencherwood has just sold its 30,000 sq ft Berkshire Business Centre development in Thatcham for £2m.

One result of the rights issue, to be underwritten by Phillips & Drew who are also lenders to the issue, will be the reduction of directors' shareholding from 71.6

per cent to 62.6 per cent of the enlarged equity.

Mr John Norgate, chairman, who currently holds 70.5 per cent of the shares, does not intend to take up any of his entitlement. His rights have been offered to investors in a placing at an 18p premium over the 312p subscription price.

This will reduce Mr Norgate's shareholding to 61 per cent. Trencherwood also announced yesterday that it had purchased a 49.98 per cent stake in Wincombe Developments, based in Newbury, Berkshire, for a £75,000 consideration to be paid in cash, shares and variable-rate loan stock.

per cent to 62.6 per cent of the enlarged equity.

Mr John Norgate, chairman, who currently holds 70.5 per cent of the shares, does not intend to take up any of his entitlement.

His rights have been offered to investors in a placing at an 18p premium over the 312p subscription price.

This will reduce Mr Norgate's shareholding to 61 per cent. Trencherwood also announced yesterday that it had purchased a 49.98 per cent stake in Wincombe Developments, based in Newbury, Berkshire, for a £75,000 consideration to be paid in cash, shares and variable-rate loan stock.

Staley talks to Tate with hopes of higher offer

By Clay Harris

Tate & Lyle, the sugar refining group, is talking directly to Staley Continental for the first time since it launched its £1.42bn (£765m) hostile bid for the US corn syrup and food distribution group more than a month ago.

The beginning of talks was seen in London as an indication that the takeover battle was nearing a climax. The main issue now is expected to be reaching an agreement on a slightly higher price - one which the Staley board could recommend.

Wall Street's expectation of that figure was declining yesterday with share prices in general. By early afternoon, Staley shares were trading £1 lower at \$37.10, compared with Tate's tender price of \$35.

To put pressure on Staley, Tate extended its tender offer, due to expire at midnight on Tuesday, only by one more day, to midnight on Wednesday.

Tate said it was negotiating to buy all of Staley. The Illinois-based company confirmed it was in talks, but said it was still talking to third parties about other possible options, including partial or outright sale of its businesses or a recapitalisation.

Staley, Scottish leisure, property and financial services group, increased pre-tax profits by 15 per cent to £9.6m for the 27 weeks ended April 3 1988. Turnover increased by 14 per cent to \$67.02m.

Mr Reo Stakis, chairman, said the result highlighted the group's strength in depth. The hotels and inn division together with the casino division produced commendable profit growth which enabled the group to withstand lower profits in the property division and a setback in the finance division, he said.

A split of profits showed: hotels and inns \$6.26m (£4.37m), casinos \$2.02m (£1.44m), property \$1.01m (£1.4m), finance (after interest) \$107,000 (£1.1m). The 48 per cent increase in profits of the hotels and inn division was enhanced by the elimination of \$0.72m in rents formerly paid on eight hotels, whose freeholds were acquired in 1987.

The timing of property development varies from year to year, said Mr Stakis. Last year, most of the profits arose in the first half whereas the bulk of profits this year should arise in the second half.

Earnings per share increased

Analysts lured to Kleinwort Greaveson

By Philip Coggan

The top-rated engineering analysts' team at Citicorp Scrimgeour Vickers has been lured away en masse to Kleinwort Greaveson.

For the past three years, Mr Colin Fell's engineering team has been rated top in its sector in Extel's Survey of UK Investment Analysts. The team comprises Mr Fell, Ms Janet Siddaway, Mr Chris Tarry and Mr Gavin Lander.

Mr Fell, who has been at the firm since 1971, when it was simply called J & A Scrimgeour, said that money was not the prime motivation. The team will now go into "purdah" for a month before they take up their duties at Kleinwort.

Market crash leaves Parrish £1.65m in loss

BY DAVID WALLER

Parrish, the quoted chain of regional stockbrokers which started life as a Newcastle department store, yesterday announced that it had incurred a pre-tax loss of £1.65m for the year to the end of January, compared to a profit of £548,000 in the previous year, and £993,000 in the first six months of the year.

The result was exactly in line with the figure cited in March this year when the company warned that the stock market crash had taken its toll on its business.

Parrish said then that it would be obliged to make a £1.1m provision for doubtful debts, and that the trading result would be affected by dwindling volume. It also held a £4.9m rights issue.

Yesterday, Parrish warned that the events of the past six months "will continue to cast their shadow" over the current year. But it believes it is so structured as to take advantage of opportunities to provide investment services to private clients.

GrandMet pleases City with £232m at halfway

BY LISA WOOD

Grand Metropolitan, food, drink and hotel group, yesterday reported pre-tax profits of £232.2m for the six months to March 31, an increase of 38 per cent on the corresponding period last year.

The result was at the top end of City estimates and encouraged analysts to revise their forecasts for the full year to above £560m.

Mr Allen Sheppard, chairman and chief executive, said the last six months had been a busy and exciting period and the group's strategy was even more clearly focused than ever before.

The group had sold off peripheral businesses, absorbed acquisitions such as Heublein in the US, and continued to build its brands. Commenting on the group's exposure to the US, which accounted for 30 per cent of pre-tax profits, Mr Sheppard said that without the impact of the weakened dollar on US earnings the increase would have been 44 per cent.

Earnings per share increased by 31 per cent to 18.9p despite absorbing a higher tax charge. The interim dividend is set at 5.5p (4.5p) per share.

Property sales contributed

£26.4m - including the £15m sale of the Hotel Marlow in Paris - compared with £4.8m in the same period last year. However, these were partly offset by reorganisation costs of £11.5m, recognised as exceptional items.

An extraordinary profit of £74.1m included the disposal of Children's World in the US and GrandMet's investment in Martell, the French cognac house, control of which was finally secured by Seagram.

Turnover at £2.8bn represented an increase of 12 per cent. Sales revenue of continuing businesses increased by 27 per cent.

IDV, the wine and spirits division, lifted profits by 81 per cent to £25.1m. GrandMet said this mainly reflected the very successful acquisition of Heublein in March 1987 and Sacoone & Speed in May 1987. In a generally strong trading performance, J & S Rare and Baileys Original Irish Cream performed particularly well.

IDV is one of the divisions with high exposure to the US and if 1987 first half exchange rates had prevailed throughout the period, profits would have been £12.4m higher.

Brewing and retailing - with brands including Foster's and Webster's Yorkshire bitter - showed profits of £99.5m, up 40 per cent.

Food, which includes Kaffee Foods, reported profits up 24 per cent to £24m, reflecting both acquisitions and market share gains in a competitive environment while the Consumer Products Division in the UK, which includes Moccia Bookmakers, contributed profits 11 per cent higher at £19.5m.

The rationalised US Consumer Products and Services operation showed a profit increase of 3 per cent but dollar sales and profits of the continuing businesses increased by 13 per cent and \$4 per cent respectively. Puerle, the biggest optician chain in the US which has recently made two acquisitions, continued its recovery with profits growth of 33 per cent.

The recovery at Inter-Continental Hotels continued with improved occupancy rates and lower costs contributing to the growth in profits which at £17.8m showed a 73 per cent increase.

See Lex

Hotels and casinos boost Stakis

BY VANESSA HOULDER

Stakis, Scottish leisure, property and financial services group, increased pre-tax profits by 15 per cent to £9.6m for the 27 weeks ended April 3 1988. Turnover increased by 14 per cent to \$67.02m.

Mr Reo Stakis, chairman, said the result highlighted the group's strength in depth. The hotels and inn division together with the casino division produced commendable profit growth which enabled the group to withstand lower profits in the property division and a setback in the finance division, he said.

A split of profits showed: hotels and inns \$6.26m (£4.37m), casinos \$2.02m (£1.44m), property \$1.01m (£1.4m), finance (after interest) \$107,000 (£1.1m). The 48 per cent increase in profits of the hotels and inn division was enhanced by the elimination of \$0.72m in rents formerly paid on eight hotels, whose freeholds were acquired in 1987.

The timing of property development varies from year to year, said Mr Stakis. Last year, most of the profits arose in the first half whereas the bulk of profits this year should arise in the second half.

Earnings per share increased

by 10 per cent to 2.76p. The interim dividend will be 0.62p per share, an increase of 15 per cent.

comment

The overall profits figure was much as expected and the share price eased 6p to close at 103p. The provisional figures though, proved a rather mixed bag. Hotels chalked up a better than expected profit, on the back of a 10 per cent increase in achieved room rates. Casinos, too, did well, helped by a recent refurbishment programme. But these performances were marred by a ten fold drop in finance profits, thanks in large part to losses

from the stockbroker Robert Wigram, acquired a month before the October crash. Profits from property were also down on last year, although this was a matter of the timing of deals and a strong performance is expected in the second half. Looking ahead, the company is enthusiastic about the prospects for the group as a whole. Even finance should move ahead for the full year, after heavy cost cutting on the stockbroking side. Assuming the company makes profits of £23m for the full year, the shares are highly priced on a multiple of 15 - a reflection of strong standing but probably foolish bid speculation.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corres - ponding div	Total for year	Total last year
Assoc. Paper	2.75	July 1	2.5	-	8
Chelsea Arts	1	-	-	-	1.75
City of Oxford	1.83	-	1.15	1.58	3.6
de Montagu	1.8	-	-	-	2.8
Fairbairn	11	-	10.5	6.0	4.8
Fairbairn	57	-	3.3	2.8	4.5
GrandMet	5.5	-	4.5	-	12
Grimmes Post	1.1	July 4	1.1	-	2.65
H & Sons & Co	16	July 22	17.5	26	23
Local London Gps	4.5	July 8	3	7.5	3
Marks & Spencer	3.55	July 15	3.1	5.1	4.5
Parrish	-	-	-	1	-
Stakis	0.62p	Sept. 5	0.54	-	1.88

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡USM stock. §Unquoted stock. ¶Third market.

BOARD MEETINGS

	FUTURE DATES
Abdon	May 20
Harmon	May 28
Lower	May 28
Pease	May 28
Castro	May 28
Ferguson Industrial	June 1
Hastings	June 21
Hills & Dean Computer	June 1
Stella Insurance	May 19

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interim or final and the sub-divisions shown below are based mainly on last year's share tables.

TODAY

Interstate Commodities, English Chain Clay, Euro-america, Parnell Group, Privat Marick, United Scientific, Western Selection.

†Parrish - Harbours Investment Trust, Pading Ship, London Atlantic Inv. Trust, Vaux, Whitbread.



CONTRACT HIRE - IT'S OUR SERVICE THAT SETS US APART

Why? Because we try a little harder to provide quality service but still at competitive rates. Let us prove it to you. Ring or write to Clive Hill today for a quotation and information about our Group.

TRISTAR CONTRACT HIRE
The people who really care

Head Office: Master Road, Thornbury, Cleveland. Tel: (0642) 750056 Fax: (0642) 242038

Ultramar

THE FIRST QUARTER 1988

A GOOD START TO THE YEAR

- Net profit from continuing operations increased despite currency factors
- Record 38 cargoes of LNG sold to Japan
- Improved performance from California, Shipping and International Trading
- Canadian product sales exceeded 128,000 b/d

	First Quarter 1988	First Quarter 1987
	£ million	£ million
TURNOVER	280.1	290.1
NET PROFIT FROM CONTINUING OPERATIONS	15.1	14.9
CASH FLOW FROM CONTINUING OPERATIONS	38.8	41.6

OUTLOOK

"We plan to build on our present strengths by upgrading the Quebec refinery, appraising and developing our North Sea discoveries, increasing our Indonesian gas production and expanding our North American upstream and downstream operations."

Lloyd Bensen
Chairman



ULTRAMAR PLC, 141 MOORGATE, LONDON EC2M 6TX

This announcement appears as a matter of record only.



£50,000,000
MULTI-OPTION FACILITY

Arranged by
BARCLAYS de ZOEETE WEDD

Barclays Bank PLC
Lloyds Bank Plc

Underwriters
Commerzbank Aktiengesellschaft, London Branch
The Sanwa Bank, Limited
The Tokai Bank, Limited

Tender Panel Members
Banca Nazionale del Lavoro, London Branch
Barclays Bank PLC
Commerzbank Aktiengesellschaft, London Branch
The Dai-ichi Kangyo Bank, Limited
Lloyds Bank Plc
S.F.E. Bank Limited

Banko di Roma, London Branch
CIC-Union Europeenne, International et Cie, London Branch
Credit Lyonnais, London Branch
Hill Samuel & Co. Limited
The Sanwa Bank, Limited
The Tokai Bank, Limited

May, 1988



Another polished performance

In December, when we announced our results for 1987, we promised that they were the start of something even brighter.

1988 Interim Results
 Pre-tax profits up 38%
 to £232.2m
 Earnings per share up 31%
 Dividend up 22%

It will therefore be no surprise that in the half year ended 31st March 1988 we produced a pre-tax profits increase of 38 per cent. with every sector contributing.

Heublein is meeting our best

expectations; Inter-Continental Hotels and Pearle have continued their strong improvement; our many leading brands are performing well; and trading conditions remain encouraging.

Interest cover of 5.4 times demonstrates the company's remarkable ability to generate cash.

The group's strategy is showing through clearly.

GRAND METROPOLITAN

....adding value 

May 12 1988
 ty
 ty
 relating to
 the Power
 of India
 inclusion
 profits
 reflecting
 and market
 competitive
 in the UK
 Bookings
 11 per cent
 used US
 Services
 increase of
 sales and
 using
 per cent
 tively. Part
 chain in the
 rently made
 sustained
 growth of
 at Inter-Cont
 continued
 spary
 contributing
 to which
 cent
 ge Lex
Stabi
 broker
 a month
 Profits
 down on
 was a
 s and a
 spected
 oking
 vantage
 the group
 nance
 full year
 rting on
 Assuming
 profits
 the share
 on a multi
 n offering
 fruitless
ED
 Total
 for
 year
 1
 1.50
 2.5
 20
 6.5
 26
 7.5
 5.1
 15
 T SETS
 vide
 to you
 information
 Branch
 Limited
 Branch
 Branch
 Branch
 Limited
 Limited
 May 1988

Strong progress at R.Dutch/Shell

BY STEVEN BUTLER

MR PETER HOLMES, chairman of Shell Transport and Trading, was yesterday peppered with hostile questions about the company's involvement in South Africa at a rowdy annual general meeting of shareholders, shortly after reporting a strong set of first quarter results.

The questioning dragged on for over an hour in the gymnasium at Shell's London headquarters when Mr Holmes brought the meeting to a close after re-electing current board members over strains of "We Shall Overcome" sung by about 30 shareholders protesting the company's investment in South Africa.

First quarter net income at the Royal Dutch/Shell Group rose by 18 per cent to £222m, while on a current cost basis, earnings soared by 50 per cent to £900m. Shell Transport and Trading earnings per share rose from 22.8p to 27p.

The results came in at the upper end of analysts' forecasts.

Shell shares rose immediately after the announcement of the results, and then slid with the rest of the market to close off ¼ at £10¼.

Chemicals put in the strongest performance with earnings more than doubling from £114m to £232m. Margins rose throughout the chemicals business with increased volumes and higher capacity utilisation. Performance in the US, where earnings rose from £27m to £53m, however, could be affected for the remainder of the year by last week's refinery fire in Louisiana.

In the refining and marketing sector, profits rose from £263m to £292m, although these were boosted by £106m from a property sale in Hong Kong. Outside the US, inventory losses amounted to £72m. In the US, earnings rose by \$69m to \$99m owing to improved refined product margins.

In exploration and production businesses earnings fell from £476m to £370m due to weak oil

prices. Oil production rose by one per cent to 1.8m barrels a day, while natural gas sales dropped by 12 per cent to 7.36bn cubic feet daily.

The group's cash flow from operating activities increased from £1.3bn to £1.5bn. The long term debt ratio was 11 per cent. Capital spending and exploration in the quarter came to \$291m, and is estimated to be 10 per cent over 1987 for the whole year.

Mr Holmes defended Shell's decision to stay in South Africa and dismissed questioners who said the group would help to end apartheid by pulling out.

He said that the worldwide campaign to boycott Shell had had no measurable impact on the company's business, and that market share losses in Europe had resulted from problems with Formula Shell petrol, which was withdrawn earlier this year.

● **comment**
Riddle: devise an oil price,

exchange rate, and economic growth scenario in which an investment in Shell could go seriously wrong. The answer, it appears, would have to be a joke, as yesterday's first quarter results show. Weak oil prices and the weak dollar have had little effect on what is, at least temporarily, the world's most profitable oil company. This very strong performance may be difficult to maintain however. The 17 per cent rise in commodity chemicals sales must be the result of restocking in the face of stronger-than-expected economic growth, and is likely to soften in the months ahead. The refinery fire could also knock a very big hole in US earnings, depending on the extent of the damage, which still has to be assessed. Still, when one side of Shell goes down the other goes inexorably up, and even if Shell fails to reach the \$3bn earnings that many analysts expect this year, it appears a fortress of strength next to its rivals.

J W Spear dividend dispute intensifies

A dispute over the dividend policy of J.W. Spear, games and toys manufacturer, between the company's board and Allied Entertainment, which holds 15.7 per cent of Spear shares, intensified yesterday.

At Spear's agm earlier this month Allied argued that the proposed 6p dividend was too high and the money could be better applied to the business. Yesterday the Spear board wrote to shareholders urging support for its policy in a poll on May 19, but in a rival letter Allied argued that "dividends should only be paid out of profits."

Chelsea Artisans

Chelsea Artisans, mirrored paneling company, reported pre-tax profits almost trebled, from £20,000 to £24,000, for 1987. Turnover improved to £2.06m against £1.24m. A single final 1p dividend is proposed, payable from earnings per 5p share of 8.3p (6.2p).

Ultramar declines to £13.9m

BY STEVEN BUTLER

NET PROFITS at Ultramar, the diversified oil company, slipped in the first quarter of this year to £13.9m, compared to £15.3m in the first quarter of 1987, while turnover fell by £10m to £280.1m.

Net profit from continuing activities, however, showed a small increase, from £14.9m to £15.1m, while at the pre-tax level, profits rose from £35.3m to £37.5m. Earnings per share fell from 5.6p to 5p.

Ultramar said the results came in the face of sterling strength against the US and Canadian dollars, which dominate the company's business, and despite weakness in crude oil prices.

Refining and marketing operations in eastern Canada were down sharply from £21.4m to £13.7m, resulting both from exchange rate losses and from declining margins for wholesale products. The California operation, however, contributed £2m in profits, compared to a small loss the previous year, while international trading produced profits of £3.8m.

Profits from the Indonesian liquefied petroleum gas operation declined from £7.9m to £6.9m despite a record of 38 LNG cargoes sold to Japan, a level of business which is not expected to be repeated this year.

Oil production in the first quarter averaged 27,300 barrels a day, while gas was produced at a rate of 456.5m cubic feet daily, for a combined total of 103,400 barrels of oil equivalent daily. Oil exploration and production profits taken together fell from £7.9m to £6.5m.

Ultramar said plans in the coming years include upgrading the Quebec refinery, appraising and developing North Sea discoveries, increasing Indonesian gas production, and expanding upstream and downstream operations in North America. Worldwide exploration activities are also to be stepped up.

Uncertainty continues in CCF's market

RESULTS OF CCF Group, financial software house, were significantly lower in the first quarter, shareholders were told at the annual meeting. The chairman said that the opening months of the year had confirmed a continuing uncertainty in its market.

At other annual meetings Aurora shareholders were told

that orders in the first quarter of 1988 were 27 per cent ahead of the comparable period. Pre-tax profits were significantly higher.

World of Leather sales continued to be ahead of budget and the board remained quietly confident about the full year outcome. Brent Chemicals International was on target for the first four

months and results were significantly ahead of last year.

Catalyst Communications had started the year satisfactorily. Expansion plans were continuing and Age Communications, which was acquired recently, would form the basis of a new specialist media division.

Votes in water company up for tender

By Andrew Hill

Big investors with a thirst for the scarce voting stock of statutory water companies will get a rare chance to buy a substantial stake in one later this month.

French water suppliers and UK construction groups have been building up large stakes in the companies in preparation for the possible privatisation of the much larger water authorities.

They may be among those tendering for the 4m 9.5 per cent ordinary shares offered for sale by East Anglian Water Company, based in Lowestoft.

The biggest attraction for these investors is likely to be the accompanying voting rights. Holders will get one vote per £1 share. The entire issue will represent 32.46 per cent of East Anglian's voting rights, but only after the preference stock these shares replace is redeemed on June 30.

The minimum price which may be offered for each share is 200p. Recent activity in the sector means some bids could be much higher, said Seymour Pierce Butterfield, broker to the issue.

Statutory water company stock is now priced at between 45p and 47p, representing almost a tenfold increase in price since February 1987, although some buyers have paid as much as 600p a share recently.

Sealed tenders - and a cheque for the full tendered price - have to be submitted by May 15. All successful applicants pay the price they bid, but East Anglian's statutes limit the maximum which can be raised to £11.7m. If it raises more, the number of shares issued will have to be scaled down.

Meanwhile, Folkestone and District Water Company is offering £3.5m non-voting 7 per cent redeemable preference stock 1988 for sale by tender. The minimum price is £100 per £100 of stock.

Local London profits more than double to over £8m

BY DAVID WALLER

Local London, the business centre specialist, yesterday reported 1987 pre-tax profits of £8.16m, more than twice the £3.6m achieved in the previous year.

The result was ahead of brokers' estimates - which ranged from £7.5m to £8.5m - and the shares closed unchanged at 420p despite a day of turmoil in the market at large.

Mr Andrew Hurton, managing director, said that the figures showed that demand for office space within the company's 30 business centres had been undented by the stock market crash last October.

This was contrary to the impression given by the share price, which tumbled dramatically in the crash. Mr Hurton said that, if anything, demand for space in business centres had increased afterwards. Occupancy levels at the year end approached 100 per cent.

The main business of the group is the conversion of properties into business centres, offices in which are then rented out to "clients" in return for licence fees which covers services such as

security, photocopying and cleaning.

When it joined the Unlisted Securities Market in September 1986, it was capitalised at £8.6m. From that time, the company expanded rapidly through acquisition and its equity expanded 25-fold. Its market value reached £123m just before the crash; it now stands at £98m.

Local London derives income not only from the licence fee, but also from property trading and development. Last year, licence fees amounted to £8.02m (£8.12m), offset by property outgoings of £4.95m (£2.81m). The surplus on disposals and sale and leasebacks of properties was £6.76m (£2.49m).

Local London's share of profits from related companies was £2.36m (£3,000). There was an extraordinary credit of £2.62m (£2,000). Adjusted earnings per share were 32.8p (38.3p), on the basis of property assets of £70.8m, net assets per share rose 21 per cent to 313p.

● **comment**
Local London is unique in the

property world. As a "space retailer", it buys awkward properties that may not respond to conventional development, invests some money and considerable management resources running them as business centres, and then reaps rental income of as much as £100 per square foot. It is also canny enough to take profits via sale and leaseback arrangements and property trading. The result is a company which offers impressive earnings growth from its business centres alone, sweetened by trading profits and underpinned by property assets. This attractive combination was justly accorded a premium rating in pre-crash markets, and in the period between joining the USM and the end of October last year, the shares outperformed more than threefold. Since the crash, the shares have underperformed by 6½ per cent. This reflects, on fundamentals, Local London's business is unaffected. Assuming pre-tax profits of £11.5m this year, the company is on a modest prospective p/e of just over 12.

Monarch Res £18m cash call

BY KENNETH GOODING, MINING CORRESPONDENT

Monarch Resources, the gold mining company with operations in Venezuela, is to raise £17.85m after expenses by a three-for-ten rights issue and a subscription issue.

The rights issue will involve up to 3m new ordinary shares at 52p each, compared with Tuesday's closing price of 65p and 29p when the company was floated on the London Stock Exchange last July.

Industrie and Handelsbank Zurich, a private Swiss bank which approached Monarch with the view of becoming a major shareholder, is to subscribe for 500,000 new ordinary at 600p each.

The bank's new shares will not qualify for the rights issue and the subscription will give it 3.7 per cent of the enlarged Monarch capital. However, Industrie und Handelsbank is also 100 per cent sub-underwriting the rights issue and will almost certainly

take its stake above 3.7 per cent. Morgan Grenfell and Co has fully underwritten the issue.

Mr Adrian Nash, Monarch's chief executive, said yesterday that Global Resources, the parent of National NV, a vehicle mainly for South African investors and Monarch's major shareholder with 31.4 per cent, would arrange for its share of the rights to be taken up.

Mercury Asset Management, an S G Warburg group fund, with 8 per cent, had also indicated that it would take up its rights.

Mr Nash said the £6.6m raised by the placing last July would be used as originally intended - principally for the early construction and operation of a plant to process gold from tailings (waste dumps) in the Mocupia Gorge in the Venezuelan state of Bolivar and to complete at least one full mine feasibility study by not later than December 1988.

The additional funds being raised would be used mainly to undertake similar exploration programmes in new concession areas. Mr Nash said as a result of this work the group would be in a position by December 1991 to raise finance to bring other gold mining operations, of significant size, into production.

Mr Roger Barnes, Monarch's technical director, said recovery of gold from the Mocupia Gorge tailings would begin in October and produce metal at a cash cost of \$203 an ounce to give an operating profit, when there is full production by the year-end, of \$400,000 a month.

Monarch's preliminary results for 1987 show a net profit, after losses of \$51,000 attributable to equity interests of \$627,000. At the end of 1987 the cash balance was \$10,594m. The unaudited balance sheet as at March 31 showed cash balances of \$8.483m.

COMPANY NEWS IN BRIEF

HENRY BARRETT has acquired Gainsborough Steel for £90,000 cash. Gainsborough, which distributes re-usable steel products, incurred a loss of £2,749 in the year to September 30 1987 and had net assets on that date of £74,499.

GRAHAM MOTOR GROUP: TSB Group has received acceptances of its offer in respect of 1.98m ordinary shares (18.66 per cent). The number of ordinary shares which it now owns or has received acceptances for is 7.43m (70.1 per cent). This is in addition to its original stake of 125,000 shares.

ERADICUT INTERNATIONAL subsidiary, Shaw Packing, has purchased Accrington Packing and Storage for £25,000 cash.

PETROCON GROUP has disposed of the businesses and certain assets of Petrocon Drilling Tools and Petrocon Wood Oilfield Rentals (a joint venture with John Wood Group) to a consortium of management, John Wood and Investors in Industry, for £1.8m in cash. The buyers will also enter into a five year lease agreement covering the rental division

HQ site in Aberdeen.

BPP HOLDINGS has paid \$40,300 for 7.5 per cent of Blackstone Press. Put and call options have been granted for the remaining shares. The consideration is to be satisfied by the issue of ordinary shares. Blackstone was formed recently as a result of a management buyout of various book titles, publishing agreements and stock of books from Parks Bookshops for £17,851.

RASS: The agreement with Holiday Corporation for the acquisition of Holiday Inn International assets and 13 Holiday Inn hotels in the US for \$475m (£262m) has been substantially completed. Bass now operates and franchises 149 Holiday Inn hotels worldwide and has exclusive rights to the Holiday Inn name and trade marks outside the US, Canada and Mexico.

BRITTOIL: British Petroleum's increased offer of 500p in cash and its increased share alternative of one BP share plus 240p in cash will close on June 22 1988. BP owns, through purchases and acceptances, over 97.5 per cent of Britoil's ordinary equity.

YORKSHIRE CHEMICALS is to form Yorkshire Americas in the first step towards the creation of a broadly-based chemical business in the US. Yorkshire Americas has acquired Nachem, based in Massachusetts, which specialises in the selling and distribution of high performance special-

ty chemicals. Yorkshire will pay a maximum \$4.5m (£2.1m). EAWFIN is acquiring Fortdine, a private company trading as Roof-Tec, a supplier of roofing tiles. Total consideration is £130,000, of which \$30,000, payable in cash, relates to the acquisition of the leasehold property.



THREE MONTHS' REVIEW

ASSURANCE

Pre-tax profit increases to £47.5m

- ★ Operating profit before taxation increased by 68% to £47.5m (1987 £28.2m).
- ★ Satisfactory growth in life business.
- ★ Strong financial position with shareholders' funds of £1,210m.
- ★ Strong increase in United Kingdom non-life profits.
- ★ Stable non-life results elsewhere.

THREE MONTHS' HIGHLIGHTS

	3 months 1988 Unaudited	3 months 1987 Unaudited	
Total premium income	£850.3m	£838.8m	+1%
Operating profit before taxation	£47.5m	£28.2m	+68%
Operating profit after taxation	£28.2m	£17.5m	+61%
Earnings per share	6.7p	4.2p	+60%



Commercial Union Assurance Company plc

Henry Boot

SUMMARY OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 1987

	1987	1986
Turnover	£153.4m	£160.5m
Profit before tax	£2.99m	£2.41m
Earnings per share	42.4p	36.6p
Dividends per share	14.5p	10p
Net assets per share	368p	330p

Copies of the 1987 Report and Accounts can be obtained from the Secretary:

HENRY BOOT & SONS PLC
Banner Cross Hall
Sheffield S11 9PD
Telephone: 0742 554331

CONSTRUCTION, HOUSING, RAILWAY ENGINEERING, PLANT, PROPERTY DEVELOPMENT

US\$100,000,000
FLOATING RATE DEPOSITARY RECEIPTS DUE 1987
issued by The Depository Receipt Corporation plc entitling the holder to payment of principal and interest on deposits with

BNL
Banca Nazionale del Lavoro
(incorporated as an Istituto di Credito in the Republic of Italy)

London Branch
Notice is hereby given that the Rate of Interest for Coupon No. 12 has been fixed at 7.75% p.a. and that the interest payable on the relevant Interest Payment Date, August 12, 1988 in respect of US\$10,000 nominal units of Receipts will be US\$138.06 and in respect of US\$250,000 nominal units of Receipts will be US\$4,951.25.

May 12, 1988, London
By: Citibank, N.A. (CSSI Dept), Agent Bank **CITIBANK**

PORTSMOUTH BUILDING SOCIETY

Notice is hereby given in accordance with the Society's Rules that as from 15th May 1988 the following rates of interest per annum will be paid on the various types of investment account.

Ordinary Share	3.75%	Equivalent to (where income tax is payable at the basic rate of 25%)	5.00%
7 Day Share	5.40%		7.20%
30 Day Share	6.70%		8.93%
90 Day Share	6.90%		9.20%
3 Year Period Share	7.10%		9.47%
Subscription Share	5.40%		7.20%

The Rate of Interest on all discontinued issues of Notice and Period Shares will be reduced by 0.50%

Head Office: Churchhill House, William Churchhill House, Portsmouth PO1 2EP. Telephone: (0705) 251251.

Portsmouth Building Society

This advertisement is issued in compliance with the requirements of the Council of the Stock Exchange

LIT Holdings PLC
(Registered in England No. 3121632)

Placing of 15,000,000 9.47 per cent cumulative redeemable preference shares 1988-2008 of £1 each at par (paid up to 40p per share, the balance being payable by 10 pence on 1 July 1988)

Permission has been granted by the Council of the Stock Exchange for admission of the preference shares to the Official List

Listing Particulars and Supplementary Listing Particulars relating to LIT Holdings PLC are available in the statistical services of Central Securities Services Limited and Exchange, 45 Finsbury Square, London EC2A 3DF up to and including 18 May 1988 and may be obtained during normal business hours on any weekday (Saturdays excepted) up to and including 26 May 1988 from:

LIT Holdings PLC	James Capel & Co.	Morgan Grenfell & Co. Limited	W. R. Hambro & Co. Limited
120 Strand	25 Abchurch Lane	New Court	55 Mark Lane
London EC2A 3DF	London EC4A 3DF	London EC2M 2LL	London EC3R 7LN

Date: 12 May 1988

Handwritten scribble at the bottom of the page.

UK COMPANY NEWS

Associated Paper sees modest midway growth

BY VANESSA HOULDER

DISPITE a slow start to the year, Associated Paper Industries yesterday reported pre-tax profits up 6.8 per cent to £2.28m for the six months to April 2 1988. Turnover rose marginally from £42.3m to £43.2m.

Profits for the papermaking and paper and film converting division, which accounted for 69 per cent of sales, increased from £2.5m to £2.61m, but profits at the stamping foil operation, responsible for 25 per cent of sales, declined from £1.47m to £800,000. The air conditioning, purification and distribution division made £291,000, compared with a loss of £1,000 in the comparable period last year.

The company made an exchange gain of £285,000 on a loan repayment which offset interest charges of £294,000.

Most companies in the paper-making and paper and film converting division had a good half year, said Mr Charles Rawlinson,

chairman. However earnings at Tezza, which makes a range of self-adhesive products, fell due to a delay in increasing prices and a reorganisation associated with the installation of a new coating machine at a cost of £750,000.

Worldwide competition had been intense in the stamping foil division, but the UK companies had broadly maintained their earnings, said Mr Rawlinson. In the US, turnover had been affected by a reduction in demand for certain types of foil and a major re-organisation of the sales force.

The air conditioning, purification and distribution businesses continued to progress and have produced excellent results, Mr Rawlinson said.

Earnings per share increased from 9.6p to 10.4p. The interim dividend is increased from 2.5p to 2.75p.

comment

In the course of the decade, API has amassed a clutch of specialist niche businesses and, as such, is considered a solid, if slightly unexciting, bet. The last half year, however, was marred by problems with the two acquisitions made in 1985-86. Film converter Tezza took too long to pass on increased material costs onto its customers, while the US foils company Dri-Print went through a major reorganisation of its sales force. On top of that, the stamping foil division saw margins under pressure as a result of the strength in the pound. But the company is confident that things are settling down and this period of consolidation will give way to one of growth. With gearing at 23 per cent, the company is seeking acquisitions, particularly for its smaller air conditioning division. Analysts expect the company to make about £7.2m for the year, which puts the shares, up 2p to 243p, on a fair rating of 10.

Barclays to pay £8m for travel company

By David Barchard

Barclays Bank is to buy Page and Moy Holdings, the Leicester-based travel company which operates Barclaycard Holiday Club, for £8m. The company specialises in reader holiday offers through magazines and claims to be the UK's largest direct supplier of retail travel services.

Barclaycard Holiday Club, which is expected to provide 50,000 overseas holidays this year, makes up about half of Page and Moy's business - its other activities include marketing services and canal narrowboat holidays.

London Weekend Television, which owns 67.7 per cent of Page and Moy Holdings, said yesterday that it was highly satisfied with the sale price, of which its share will be £5.4m. The sale is part of LWT's policy of shedding activities outside its core business.

The three minority shareholders, who founded the company, have received identical terms.

Page and Moy reported a pre-tax profit of £225,000 in the financial year ending November 30 1987, at which date it had assets of £3.27m.

Mr Peter Ellwood, chief executive of Barclaycard said yesterday that its large corporate client base could help Page and Moy expand its marketing services business.

"The Page and Moy operation fits in well with our other travel related financial services," he said.

Guinness Mahon demerger date set

BY DAVID LASCELLES, BANKING EDITOR

THE PROPOSED demerger of the Guinness Mahon investment banking operation from Guinness Peat Group is to go ahead in June, GPG announced yesterday.

The long-awaited move, which was delayed over tax problems, will enable Equiticorp to realise part of its 61 per cent stake in GPG and reduce its indebtedness.

The new company, which will have its own listing on the London Stock Exchange, will consist of the Guinness Mahon merchant bank and associated asset management and securities trading companies.

Mr Geoffrey Bell, executive chairman of the holding company, Guinness Mahon Holdings, said the flotation "means we will now be able to get on with the business of banking and making money."

An extraordinary shareholders meeting has been called for June 3 to approve the demerger, and dealings in the new shares are expected to start on June 6.

According to details released yesterday, Guinness Mahon's pro forma profits after tax in the six months to March 31 were £2,041m on share capital and reserves which amounted to £30m at the end of last September. Net assets per share at that date were 124p, and total assets were £241m.

Mr Bell said the bank would have a clean and strong balance sheet. Its strategy would be to concentrate its capital in markets where it could obtain a high return: this meant running down operations in locations such as Zurich, the Cayman Islands and Dublin which had been less successful, and regrouping them mainly in the UK.

As well as doing corporate and project finance work, the merchant bank will engage in private banking, Mr Bell said. Securities trading and asset management would also be developed.

After the demerger GPG will consist of Fenchurch, its London-based insurance broker, Guinness Mahon Capital Corp, its New York-based arm which comprises fund and asset management, and executive compensation advisory businesses. Its 14 per cent stake in Guinness Peat Aviation is being sold at a price which is expected to cancel out the group's £200m of debt.

Mr Michael Kerr-Dineen, who will continue as chief executive, said the company's earnings would be about £18m a year.

Equiticorp has said that it does not consider GPG to be "a core asset", implying that its stake will be sold at some point, though there are no negotiations under way at the moment.

Mr Peter Hunt, one of Equiticorp's representatives on the GPG board, is expected to resign shortly, though he will stay on with GPG in a consultancy role.

He confirmed that there was a disagreement between Equiticorp and Lord Kissin, GPG's founder and 5.4 per cent shareholder, over payments connected with last year's acquisition by Equiticorp of its 61 per cent stake. Equiticorp had written to the Takeover Panel explaining its position, he said.

GPG reported yesterday that its pre-tax profits in the six months to March 31 were £14.32m compared to £11.27m in the same period last year. Because of a higher tax charge, the net earnings per share were 3.55p, down from 4.2p. An interim dividend of 1.1p is to be paid, the same as last year.

Rechem Environmental Services, a company which specialises in the disposal of chemical waste by incineration or chemical treatment, is set to join the stock market within the next few months.

Rechem's plans were revealed by Mr Roger Brooke, the chief executive of Candover Investment, which backed Rechem's management buyout in 1985.

Mr Brooke told Candover shareholders at the annual general meeting that he would be "surprised and disappointed if, when Rechem obtains a listing, the value of Candover's investment does not increase substantially above our present valuation."

Gandalf to join London market

BY PHILIP COGGAN

Gandalf Technologies, a Canadian data communications group, will shortly join the London stock market via an introduction.

The company produces "network systems" which link various types of computers and terminals and allows information to be passed between them.

Gandalf was founded in 1971 by Mr Des Cunningham and Mr Colin Patterson, two Englishmen who had emigrated to Canada. One of the men was a fan of Lord of the Rings and decided that the

name of Tolkien's wizard was particularly apposite for a technology-related company.

In 1981 the company joined both NASDAQ, the US over the counter market, and the Toronto stock exchange at the same time. After a dip in 1983, profits have grown steadily in recent years from C\$6.17m in 1987 to C\$12.95m last year.

"We need a London listing because around a third of our business is in the UK and Europe," said Mr James Bailey,

the chief executive who was in London yesterday to make a presentation to institutions.

Mr Bailey said he believed the future belonged to large independent data communications groups which can offer a worldwide service.

Gandalf has built up a 9.5 per cent stake in CASE, the loss-making UK computer services group, and made merger approaches earlier this year.

Frdk. Cooper buys Gibbons for £2.5m

BY PATRICK DANIEL

Frederick Cooper, the acquisitive industrial holdings company, is to add Gibbons of Willenhall, the West Midlands manufacturer of domestic locks, to its list of 17 acquisitions in the last two years.

Cooper will pay a £2.5m consideration comprising £250,000 in cash and the remainder in new ordinary and convertible preference shares.

Mr Eddie Kirk, Cooper's chairman, who has revamped the group since taking over in January 1986, said the acquisition will

enable the group to develop its architectural, homecare and security products division at a more rapid pace.

Gibbons designs and manufactures a range of high-quality locks, using advanced computer-aided techniques, for the domestic housing market. For the year ended July 31 last it had a pre-tax profit of £431,000 on turnover of £2m.

Gibbons' senior management will remain with the company under service agreements.

Public Works Loan Board rates

Table with columns: Years, by EFP, All, 5%, 10%, 15%, 20%, 25%. Rows include Over 1 up to 2, Over 2 up to 3, Over 3 up to 4, Over 4 up to 5, Over 5 up to 6, Over 6 up to 7, Over 7 up to 8, Over 8 up to 9, Over 9 up to 10, Over 10 up to 15, Over 15 up to 25, Over 25. Includes a note: *Non-quota loans B are 1 per cent higher in each case than non-quota loans A. †Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

GRANVILLE SPONSORED SECURITIES

Table with columns: High Low, Company, Price, Change, Div, Yield, P/E. Lists various companies like 125 Am. Div. Ind. Offshore, 214 Am. Div. Ind. OILS, 36 25 Amalgamated and Rhodes, etc.

Granville & Company Limited, 8 Leam Lane, London EC2R 8BP, Telephone 01-431 1212, Member of the Stock Exchange & TSA.

U.S. \$200,000,000 Exterior International Limited

Exterior International Limited (Incorporated with limited liability in the Cayman Islands) Guaranteed Floating Rate Notes due 2001 Unconditionally Guaranteed as to payment of principal and interest by Banco Exterior de España, S.A. (Incorporated with limited liability in the Kingdom of Spain) Notice is hereby given that for the six months interest period from May 12 1988 to November 14 1988 the Notes will carry an interest rate of 7.75% per annum. The interest payable on the relevant interest payment dates November 14 1988 will be U.S.\$397.9 per U.S.\$10,000 principal amount of Notes. By: The Chase Manhattan Bank, N.A. London, Agent Bank

MARKS & SPENCER RESULTS FOR THE FINANCIAL YEAR 1987/8

The year has been one of continuing expansion and investment both at home and overseas. The second half in particular showed significant sales and profit increases. New merchandise and new services were introduced for our customers and investment in store modernisation and information technology has laid the foundation for continuing success in the future.

PROFITS Profits exceeded £500 million for the first time. Group Profit before tax was up by £69.6 million, an increase of 16.1%.

EARNINGS Earnings per share increased by 17.3% from 10.4p to 12.2p.

SALES UK sales increase for the 53 week year was 9.6% of which 7.6% was volume growth. Clothing sales recovered strongly in the second half of the year. The expansion of homeware ranges continued and food sales were ahead of national retail food figures.

DEVELOPMENT Capital expenditure of £200 million was invested in the UK. Sales floor footage in the UK increased by over half a million sq. ft. We have now modernised over 75% of the UK footage.

INTERNATIONAL Our stores in Europe have continued to perform well. The acquisition of Brooks Brothers and the opening of our first store in Hong Kong since the year end are significant steps in our international development.

FINANCIAL SERVICES M&S Chargecard is now used by over 2 million cardholders. Sales on the Chargecard are currently over 15% of the UK turnover.

GROUP RESULTS 1987/8

Table with columns: £m, Group Total Sales (excl. sales tax) up 8.5%, Group Profit before Tax up 16.1%, Group Earnings up 17.1%. Values: £4,577.6, £501.7, £323.3

The Board has recommended that the total dividend for the year is increased to 5.1p per share (last year 4.5p).

Marks & Spencer has an AAA rating for long term debt from Moody's and Standard & Poor's. The above figures do not constitute a Full Financial Statement. Copies of the Report and Accounts for 1987/8 will be mailed to shareholders from 16th June.

All-round growth boosts Harrisons & Crosfield

BY ANDREW HILL

Harrisons & Crosfield, the chemicals to plantations conglomerate, increased profits by 43 per cent to \$90.1m before tax in 1987 against \$63m previously.

Turnover rose 7.3 per cent to £1.63bn (£1.52bn) and earnings per share increased by 50 per cent to 47p (31.4p).

All divisions contributed improved profits. The pre-tax figure was boosted by an \$9.9m (£2.3m) surplus on the disposal of properties and investments, including about \$5.5m on the sale of Durham Chemicals distribution business.

The growth was led by chemicals and industrial, in which H & C has invested heavily in recent years. The sector supplied 30 per cent (32 per cent) of group turnover and an unchanged 38 per cent of total divisional profits. Chemicals and industrial profits rose to \$37.7m (£30.2m) on turnover of \$465m (£455m).

H & C's traditional plantation business - in Indonesia, Malaysia, Papua New Guinea and India - was hit by bad weather, but

the adverse effects were offset by rising commodity prices. Rubber prices were stable, but palm oil prices recovered from an average \$257 a tonne in 1986 to about \$400 a tonne at the end of 1987. Plantation profits increased to \$23.6m (£18.7m), 24 per cent of the divisional figure, on turnover down slightly to \$20m (£18m).

Pauls, H & C's milk and foodstuffs operation, made £17.5m (£14.5m), including about £3m profit from Associated British Maltsters, bought last July. Sales increased to \$372m (£329m). Profits from timber and building supplies improved to \$15m (£11.7m) on turnover of \$308m (£222m) and general trading returned over \$384m (£330m) and turnover of £25.4m (£23.5m).

H & C said \$4m was lost through currency translation and the strong pound also cut average shareholders' funds to \$415m (£426m). Return on capital employed was up from 13.7 per cent to 18.8 per cent.

A 16p final dividend is recommended, making 23p (22p).

comment

H & C, which is beginning to cultivate its public image, was perhaps understandably annoyed that the latest market dive coincided with these profits, which were ahead of most expectations.

The group's shares dropped 20p to 50p. Whether they look cheap or not depends to some extent on whether the \$9.9m surplus on disposals in yesterday's figures can be repeated. The company says its building suppliers' gradual exodus from prime town centre sites and some profits on the sale of subsidiaries will contribute to a similar surplus in 1988. On the strength of that and H & C's declared devotion to the plantation business, which observers were earmarking for disposal, some analysts are forecasting pre-tax profits of £115m or more this year. The prospective 6.7 per cent yield is attractive in itself and on a prospective p/e of about 10.5, the shares are worth keeping.

TMD rises by 19% at midterm

BY CLARE PEARSON

TMD Advertising Holdings, specialist agency quoted on the USM, reported interim pre-tax profits ahead by 19 per cent at \$600,000, against \$504,000 last time. In the six months to February 29 turnover improved from \$28.59m to £35.93m, a rise of 23 per cent.

After tax of £228,000 (£200,000) earnings per 5p share came out at 6.5p (5.7p).

Mr David Reich, chairman, said that the results showed the progress for which the company had hoped at the end of the previous year and he looked forward to the rest of the year with confidence.

In the present six months AMS (Advertising) North was acquired. Renamed TMD Manchester it brought the group's total UK billings to more than \$75m.

de Morgan profit surges to £1.5m

de Morgan Group, a specialist adviser on commercial property acquisitions, investment and financing, raised its profits from \$622,000 to £1.47m pre-tax for the year to April 6 1988.

When the group joined the USM last May the directors forecast profits of £970,000 and a dividend total of 1.65p. In the event, a final of 1.85p lifts the payout to 2.5p.

Turnover for the past year improved from £1.37m to £2.53m. After tax of £533,000 (£228,000) and minority credits of £2,000 (nil) earnings per 5p share amounted to 6.27p (2.91p).

The directors said that the current year had started well. They intend seeking a full listing for the group's shares in the near future.

Fairbriar well ahead of expectations

BY CLARE PEARSON

ANNUAL pre-tax profits of Fairbriar, the Surrey-based housing developer, came out way ahead of market expectations yesterday at \$3.56m, a 51.5 per cent increase, on turnover up 79.7 per cent from £14.96m to £26.5m.

Earnings per share in the year to March 31 advanced 93.5 per cent to 25.7p (13.33p). There is a final dividend of 5p (3.3p), making 6.5p (4.5p) for the year. The company is proposing a one-for-one capitalisation issue.

Mr Remo Dipre, chairman, said Ryan of Wimborne, the Dorset housebuilder which Fairbriar bought last June, had been integrated "much more quickly and successfully" than had been anticipated.

The results are merger accounted, with the previous year's figures adjusted. About £1m of interest charges were rolled up into working capital.

The company is aiming to develop a portfolio of commercial properties to complement its residential developments and has bought sites at Southampton, Kew, Tunbridge Wells, and in Dorset.

In the current year, it estimates that rental income will reach about £400,000, approximately double last year's level.

Fairbriar has a three-year land bank at the current rate of growth. It is currently working on 16 sites in such areas as Epsom and Haywards Heath.

comment

Fairbriar's magic touch leaves most analysts speechless with admiration. It seems the only factor that can explain its otherwise mystifying discount in the market to other developers such as Wilson (Connolly) and McCarthy & Stone that boast comparable - though lesser - margins is the current unmarketability of the shares. This will be ameliorated somewhat by the scrip issue. Its main virtue is that it is more flexible than other developers, building \$500,000 luxury houses, but not scorning the studio flat, which means that it can more readily adapt the development to the site. Also, its relatively small size means it has up till now been able to seek out sites without entering into competitive bidding. In the long-term, its expansion does imply a dilution of margins although the right management team is adamant that it will continue to apply its thorough-going purchasing criteria.

This involves setting a profit target for each stage of the development and limiting calculations to current prices, rather than factoring in future house price inflation. Pre-tax profits for the current year of about £14m look reasonable. Yesterday's closing price - 412p, down 1p in a dismal market - puts the company on a manifestly cheap p/e ratio of 8.8.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY: Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales volume (1980=100); sales value (1980=100); registered unemployment (including school leavers) and unutilised vacancies (000s). All seasonally adjusted.

Year	Ind. prod.	Man. output	Eng. orders	Retail sales	Unempl.	Unutil. vac.
1988	110.5	104.8	98	128.5	104.3	214.1
4th qtr. 1987	111.3	105.4	96	128.4	104.9	212.4
1st qtr. 1988	112.3	106.9	99	128.5	105.2	212.1
2nd qtr. 1988	114.9	111.4	104	127.8	105.7	211.3
3rd qtr. 1988	115.1	112.7	94	128.4	105.8	208.1
July 1988	115.3	113.6	94	128.6	105.9	207.2
Aug. 1988	115.9	115.4	96	128.1	105.9	207.2
Sept. 1988	115.8	115.2	94	128.2	105.8	207.1
Oct. 1988	115.7	115.0	94	128.3	105.8	207.1
Nov. 1988	115.9	115.8	94	128.6	105.8	207.2
Dec. 1988	115.5	115.3	94	128.5	105.8	207.1
1988	115.1	112.3	96	128.2	105.9	207.4
1st qtr. 1988	112.1	110.3	94	128.3	105.8	207.9
Feb. 1988	112.1	110.3	94	128.3	105.8	207.9
Mar. 1988	112.1	110.3	94	128.3	105.8	207.9

OUTPUT BY MARKET SECTOR: Consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

Year	Consumer goods	Investment goods	Intermediate goods	Eng. output	Metal mfg.	Textiles	Housing starts
1988	106.4	99.1	107.8	101.6	106.6	101.1	52.4
4th qtr. 1987	106.4	101.5	115.7	104.2	114.4	104.5	51.8
1st qtr. 1988	107.7	109.7	117.9	104.1	114.5	104.0	51.4
2nd qtr. 1988	110.4	107.7	114.0	104.4	114.1	104.3	51.2
3rd qtr. 1988	112.9	109.1	115.2	104.5	114.1	104.3	51.2
4th qtr. 1988	113.9	109.6	118.2	104.6	114.1	104.3	51.2
July 1988	112.5	108.2	115.6	104.6	114.1	104.3	51.2
Aug. 1988	112.8	107.9	114.6	104.6	114.1	104.3	51.2
Sept. 1988	112.8	108.9	117.5	104.6	114.1	104.3	51.2
Oct. 1988	112.8	108.5	118.1	104.6	114.1	104.3	51.2
Nov. 1988	112.7	107.7	118.0	104.6	114.1	104.3	51.2
Dec. 1988	114.4	110.1	121.0	104.6	114.1	104.3	51.2
1988	114.4	108.3	119.0	104.6	114.1	104.3	51.2
1st qtr. 1988	112.3	108.1	118.1	104.6	114.1	104.3	51.2
Feb. 1988	112.3	108.1	118.1	104.6	114.1	104.3	51.2
Mar. 1988	112.3	108.1	118.1	104.6	114.1	104.3	51.2

EXTERNAL TRADE: Indices of export and import volumes (1980=100); visible balance; current balance (\$m); oil balance (\$m); terms of trade (1980=100); official reserves (\$bn).

Year	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Reserve
1988	123.9	143.0	-19.1	-5.6	+2.8	100.0	21.82
4th qtr. 1987	123.5	138.5	-15.1	-7.9	+1.2	100.4	27.24
1st qtr. 1988	123.6	143.1	-19.5	-5.0	+1.0	100.4	24.36
2nd qtr. 1988	123.5	143.1	-19.6	-5.0	+1.0	100.4	24.36
3rd qtr. 1988	124.0	143.5	-19.5	-5.0	+1.0	100.4	24.36
4th qtr. 1988	124.0	143.5	-19.5	-5.0	+1.0	100.4	24.36
July 1988	123.1	143.3	-20.2	-5.0	+1.0	100.4	24.36
Aug. 1988	123.1	143.3	-20.2	-5.0	+1.0	100.4	24.36
Sept. 1988	123.1	143.3	-20.2	-5.0	+1.0	100.4	24.36
Oct. 1988	123.1	143.3	-20.2	-5.0	+1.0	100.4	24.36
Nov. 1988	123.1	143.3	-20.2	-5.0	+1.0	100.4	24.36
Dec. 1988	123.1	143.3	-20.2	-5.0	+1.0	100.4	24.36
1988	123.1	143.0	-19.9	-5.1	+2.8	100.4	24.36
1st qtr. 1988	123.4	143.0	-19.6	-5.4	+2.8	100.4	24.36
2nd qtr. 1988	123.4	143.0	-19.6	-5.4	+2.8	100.4	24.36
3rd qtr. 1988	123.4	143.0	-19.6	-5.4	+2.8	100.4	24.36
4th qtr. 1988	123.4	143.0	-19.6	-5.4	+2.8	100.4	24.36

FINANCIAL: Money supply M0, M1 and M3 (three months' growth at annual rate); bank sterling lending to private sector; building societies' net inflows; consumer credit; all seasonally adjusted. Clearing Bank base rate (per cent).

Year	M0	M1	M3	Bank lending	Building societies	Consumer credit	Base rate
1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
4th qtr. 1987	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
1st qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
2nd qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
3rd qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
4th qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
July 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
Aug. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
Sept. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
Oct. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
Nov. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
Dec. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
1st qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
2nd qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
3rd qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00
4th qtr. 1988	7.6	15.8	14.1	+10.816	2.814	+1.01	11.00

INFLATION: Indices of earnings (Jan 1980=100); basic materials and fuels; wholesale prices of manufactured products (1980=100); retail prices and food prices (Jan 1987=100); Business commodity index (Sept 1981=100); trade weighted value of sterling (1975=100)

Year	Earnings	Basic materials	Wholesale prices	RPI	RPI-X	RPI-Y	Starting
1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
4th qtr. 1987	121.0	127.4	147.4	99.1	96.3	100.8	89.2
1st qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
2nd qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
3rd qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
4th qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
July 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
Aug. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
Sept. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
Oct. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
Nov. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
Dec. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
1st qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
2nd qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
3rd qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2
4th qtr. 1988	121.0	127.4	147.4	99.1	96.3	100.8	89.2

APG buys 11% Caffyns stake

BY CLAY HARRIS

EMERGING YESTERDAY as the holder of a 10.54 per cent stake in Caffyns, Eastbourne-based motor dealer, Allied Partnership Group, building services and plant hire company, denied any intention of mounting a takeover bid.

APG already owns 11 per cent of Lyon & Lyon, Ford dealer based in Batley, west Yorkshire. "We like some of the more under-valued situations in the sector," said Mr Martyn Rose, chairman.

His company would suggest to Caffyns possible trading links with APG Finance, its lease-broking business. It did not intend, however, to seek full ownership

of any dealership.

APG had no connection to Mr Colin Giltrap, the New Zealand motor dealer, who owns 8.43 per cent of Caffyns, he added.

Mr Alan Caffyn, chairman and chief executive, said he would accept Mr Rose's invitation to a meeting, but noted that the company was firmly under family control. Because of a two-tier share structure, APG and Mr Giltrap respectively control only 6.56 per cent and 3.25 per cent of voting rights.

Formerly Allied Plant, APG specialises in hiring and distribution of forklift trucks, railway

and site accommodation. It also operates as a civil engineer and building contractor. In 1987, APG reported pre-tax profits of £3.6m on turnover of £56.9m.

The disclosure yesterday ended more than a week of speculation sparked by the Water Authorities' Superannuation Fund's disposal of most - perhaps all - of its 3.3 per cent holding. Mr Rose said APG's holding had been "batched up" for it through market purchases in recent weeks.

Despite APG's bid disclaimer and general market weakness, Caffyns shares closed 1p higher at 560p.

Meyer buys Dutch timber

BY PATRICK DANIEL

Meyer International, importer and distributor of wood products, announced yesterday that it shortly expects to reach agreement to acquire Pont-Meyer, a Dutch company owned by Kon. Houthandel William Pont, the Netherlands' largest timber company.

The acquisition will cost Meyer £1.8m (\$20.5m) cash and marks a reversal of the company's decision two years ago to dispose of its Dutch interests. Pont-Meyer was the result of a merger of Meyer's Dutch operations with Pont's timber trading and DIY subsidiaries in May 1986.

Part of the merger consideration had been the issue to Meyer of £1.8m in convertible loan stock, or 29.1 per cent of Pont-Meyer's fully-diluted equity, which the UK company still holds.

Mr Oscar DeVilje, Meyer chairman, described the decision to re-acquire the Dutch operation as "an important and timely strategic move" which will provide it with a strong base to develop in Continental Europe.

Mr DeVilje said Pont-Meyer's performance had improved significantly since the 1986 merger and major problems it faced then had been tackled.

In the year to December 31 last year, Pont-Meyer achieved a turnover of £1.52m and a pre-tax profit before extraordinary items of £1.19m - a three-fold profit improvement over the pre-merger results.

Meyer also expects to reach a separate agreement with Algemeene Bank Nederland which holds convertible loan stock revalued at £1.



GLOBAL ANALYSIS - Young Accountant

Central London £22,000-£24,000

Leading the Computer Services Industry, this U.S. multinational is set to maintain its competitive edge through sound Financial Management and rapid reaction to market changes.

Based at their International Operations Headquarters you will be in regular contact with Divisional Finance Directors and Senior Managers worldwide. Monitoring global activity you will assess the commercial implications of complex business situations, advising on potential risk and return, and contributing to the company's mid-term financial strategy.

A newly-qualified Qualified Accountant, aged 24-28, who can demonstrate an ability to take early responsibility can anticipate promotion in the U.K. or to an overseas controller-ship within 2 years. Continuous training and an excellent benefits package make this an exceptional opportunity.

For further information contact ANDREW LIVESLEY, quoting Ref: 5436, on 01-404 3155 at ALDERWICK PEACHELL & PARTNERS. (Rec. Cons).

Alderwick Peachell
PARTNERS LTD

Independent Auditor

Stockbroking

City up to £40,000 plus car

Our client is a highly respected European bank with securities trading subsidiaries in the major world centres, including the City of London. As a matter of policy each securities company is to have an independent auditor reporting directly to the chief office.

The Auditor will be expected to work both to an audit plan and on personal initiative covering day to day financial, trading and risk positions and adherence to budgets and forecasts. This requires a good knowledge of UK and international securities trading, financial instruments and treasury matters gained as an accountant in the industry, and, though the auditor is separated from compliance functions a grasp of prevailing regulations is an advantage. The majority of financial management and settlement services are run on a developing IBM38 system and the auditor will be expected to advise on the quality and structure of data outputs.

This position is in a small, professional and international team working closely at the centre of the Bank's affairs and candidates must be able to deal with senior management effectively and confidently. Age range is 35 plus and a professional accounting qualification is essential. Salary is negotiable, with car and other benefits. Please forward in complete confidence a full CV quoting reference LM600 with salary history to Terry Fuller, Spicers Executive Selection, 13 Bruton Street, London W1X7AH.



SPICERS EXECUTIVE SELECTION
A MEMBER OF SPICER & OPPENHEIM INTERNATIONAL

FINANCIAL CONTROLLER

North West Kent
c £27,000 + bonus
+ quality car

Our client is a well established and highly successful motor trading group operating franchises for a number of prestige marques and providing petrol forecourt and fleet services. As a result of continuing growth, the company now wishes to appoint an experienced accountant. Reporting to the chief executive, the appointee will be required to establish formalised accounting and management reporting systems and, thereafter, to assume full controllership responsibility.

Candidates, probably in their mid-30's, should possess:

- a professional qualification in accountancy, preferably FCA;
- several years' post-qualification experience in industry or commerce, ideally gained in the motor trade;
- sound knowledge of computerised accounting systems;
- initiative, commercial acumen and strong organisational skills.

This appointment calls for a mature individual who can identify and respond to the needs of senior management and play an active role in the day to day management of an expanding group.

Please send a comprehensive career résumé including salary history and daytime telephone number, quoting reference 2923, to Philip Noone, Executive Selection Division.



Touche Ross
Thames Inn House, 34 Holborn Circus, London EC1N 2HB. Tel: 01-353 7361.

ACCOUNTS PROFESSIONALS

UNITISED FUNDS - SALISBURY, WILTS

Friends Provident ranks as one of the leading life assurance and investment groups in Britain with worldwide funds of around £6 billion.

We have a staff of over 2,000 employed at our Head Office in Salisbury and in 41 Branches throughout the United Kingdom and Australia and Canada. We also have operations in the Republic of Ireland. We also have operations in the Republic of Ireland. We also have operations in the Republic of Ireland.

Substantial growth and reorganisation have now created two more challenging career opportunities at Salisbury. These positions are concerned with:

- Maintaining the accounts for all linked funds and unit trusts
- Unit trust distributions
- Production of regular management accounts
- Preparation of returns to the Department of Trade and Industry
- Compliance with the Financial Services Act

THE MORE SENIOR ROLE will involve responsibility for the efficient operation of all of the above functions. For this position, you should preferably be qualified but experience of unitised accounting is of greater importance.

WE ARE ALSO LOOKING FOR someone to lead a section concerned with our linked life and pension companies. This opportunity should appeal to someone who is perhaps studying for an accounting qualification. Experience of unitised accounting would be useful but not essential.

We offer competitive salaries together with an annual staff bonus and the attractive fringe benefits include a non-contributory pension scheme, concessionary house purchase facilities, subsidised staff restaurant, excellent working conditions and an active Sports and Social Club.

Please write with full details, or telephone for an application form, to:
Amanda Alexander, Personnel Manager,
Personnel Department, Friends Provident,
Unitised Kingdom House, Castle Street, Salisbury,
Wiltshire, SP1 3SH. Tel: (0722) 336242 Ext. 3344.



FINANCIAL DIRECTOR DESIGNATE

Qualified accountant required now to manage accounts department of small group of distribution companies in Upton Park. Turnover circa £7m. Age immaterial. Salary £25,000 + car/BUPA/bonus.

Phone Linda or Margaret for application form on 01-472 1470.

Appointments Wanted

YOUR MAN IN SWITZERLAND

Dynamic Swiss top executive, PH.D., a diplomatic negotiator with wide experience is interested in building up and/or managing a first-class holding company or an representative of an important industrial or financial group in Switzerland. For further details please contact either - 25-119227, Patisserie, CH-8221 Zurich

The challenge of the Square Mile without the constraints

Financial Management - Property Systems

Bristol: from £23,000 + benefits

Lloyds Bank is moving to Bristol. Modern technology now enables us to move some of our key activities and senior managers away from the City of London, giving us greater opportunity to exploit the unprecedented pace of change in financial markets and provide modern, efficient accommodation for our staff.

Our Estates Department - part of our highly profitable UK Retail Banking operation - is one of the largest property management organisations in the UK and as such needs to utilise the most up-to-date and effective computer systems available.

We are looking for a manager who will be responsible for the forward planning, development and management of all the department's computer applications.

We would like to hear from qualified accountants with a good depth of experience in estates management and knowledge of the property market generally. You should also have

an understanding of the principles of computer systems and the ability to liaise with Systems Development Specialists both inside the Bank and with software vendors.

Opportunities for a varied and challenging career within UK Retail Banking are first-class. Starting salary will be around £23,000 and a full range of banking benefits is offered.

To obtain further information telephone our consultants David Dodd and John Faldate on (0272) 276617 quoting ref. R.53079 or send your CV to them at MSI, International, 4th Floor, Broad Quay House, Broad Quay, Bristol BS1 4JY.



A THOROUGHbred AMONGST BANKS

CONTROLLER

North Kent to £30K + car

Our client is a major Business Unit, part of a British based International Group, which manufactures and markets a range of quality products of which they have the largest market share in the UK.

An ambitious and experienced qualified Accountant is sought to be responsible to the Managing Director for the Financial and Data Processing functions.

Candidates are likely to be in their 30's and already in a senior position in manufacturing industry. The ability to make a strong and

innovative commercial contribution to the young and successful management team, and to relate successfully to the Group Board, is essential. Career prospects are excellent.

The remuneration package includes the benefits normally associated with a large Group.

Please reply in confidence enclosing full career details to Michael Bailey, Bull Thompson & Associates Ltd., 8th Floor, Tricorn House, 51-53 Hagley Road, Edgbaston, Birmingham B16 8TP, quoting Reference 109.



CORPORATE AND RECRUITMENT CONSULTANTS

QUALIFIED ACA - MERCHANT BANK.

CORPORATE FINANCE EXECUTIVE.

£27 to £30,000 + MORTGAGE AND CAR
As one of the most international of the merchant banks, our client has branches worldwide including New York, Paris and Hong Kong. Your role will be assignment based involving all aspects of client negotiations and advice and including such challenging areas as money raising, mergers, acquisitions and Stock Exchange Listings, both full and USM. You should be qualified ACA, up to Manager level and should ideally have exposure to corporate advisory services or investigations. REF: 1285

LEISURE SECTOR

P.A. TO THE GROUP ACCOUNTANT.

NORTH LONDON £25,000 + CAR.
An exceptional opportunity for all round, project based involvement within a market leading sports and leisure plc. Your brief will include acquisition reviews, product and corporate profitability studies, treasury, financial and business analysis. Recently qualified, aged 26-29, you will be expecting a high level of non-accounting tasks prior to assuming a more senior financial management role after around 18 months.

For further information on these, and many other unadvertised positions, please call 01-839 3096 (office hours) or 0293 884917 (evenings) or write with CV to the address below.

Financial Management Resourcing Estate House, 130 Jermy Street, London SW1Y 4UZ. Tel: 01-839 3098

DAVID CHORLEY ASSOCIATES

BANKING EXECUTIVE

Our client, a newly formed financial group based in Geneva with a branch to be opened in London, is seeking a top executive to fill a key role in the development of the business. Candidates aged around 40 will have the following attributes:

- Not less than five years general banking experience
- Considerable experience of portfolio management
- Some knowledge of accountancy would be beneficial but will not be essential to the ideal candidate.

Candidates must be dynamic and keen to work in a stimulating and challenging environment.

The salary is negotiable depending upon the experience of the candidate. A proportion of the remuneration package will be based upon performance but will include the usual benefits.

Applications in writing, complete with a full curriculum vitae and salary record, are to be sent to:

S J Opie F.C.A.
EDWARDS SARIKHANI & CO
Sceptre House, 169/173 Regent Street
London W1R 7FB

ACCOUNT MANAGER

£30,000-£40,000

After five years stimulating development, our client is set on major expansion. To spearhead this growth, they are actively recruiting an Account Executive to manage and develop business in London. You will be selling sophisticated multi-currency portfolio management software, tailored to meet the needs of the international investment manager. You will be supported by excellent customer back-up facilities.

A graduate, aged 25-35, you must have a keen understanding of the financial markets, linked with the credibility to negotiate at senior levels. This is an exciting career opportunity with a growing company.

For immediate consideration, contact Maggie Lawrence or Carol Mutton on 01-629 7282 or send a copy of your CV.

SALES & MARKETING APPOINTMENTS
7 PRINCES STREET, W1. 01-629 7282

Financial Controller

WEST LONDON

c. £25,000 + Perf. Bonus + Car

Our client is the UK subsidiary of a major French fragrance and cosmetics group. Turnover for next year is expected to be £5m. Rapid growth has created the opportunity for a hands-on Financial Controller to take charge of the company's financial and administrative functions.

Reporting directly to the Managing Director you will be assisted by an accountant and two operations/warehouse managers. Your role will be to provide the controls, management information and support required to keep this autonomous subsidiary efficient and profitable. Responsibilities of this high profile position include: timely preparation of management and statutory accounts, budgeting and the tax and treasury functions. Frequent interaction with the French parent company is necessary. In addition, you will also be responsible for warehousing operations and purchasing, so an understanding of distribution through retailers is vital.

This position requires a Qualified Accountant, aged 30-40 with a minimum of 3 years' post qualification corporate experience. Knowledge of French is desirable but not essential.

If you have the drive, maturity and ambition to interact with top group management in this demanding role send a concise CV with salary history to Steve McBride, reference TH1.

ROBSON RHODES

Chartered Accountants

Management Consultancy Division,
186 City Road, London, EC1V 2NU.

CORPORATE FINANCE

City £25-50,000 + Car

This leading UK merchant bank is looking to grow its Corporate Finance team. You will be involved in mergers, acquisitions, fund raising, corporate buyouts etc. as trader, manager or assistant director level. Excellent career in an international environment. You must be a qualified accountant or have relevant experience. Ref: JB.

INTERNAL AUDIT CONTROLLER

City £23,000 + Car

Leading international telecommunications group seeks to appoint a qualified individual to head up a new department at one of its major operating companies. The appointment commands a high profile position both at subsidiary and group level, and offers tremendous career opportunities for an ambitious and highly motivated individual. Ref: DS.

ROUTE TO CONTROLLERSHIP

C. London £25,000 + Car

Our client, a leader in the international marketing of high quality branded consumer products, seeks a newly-qualified chartered accountant. In the role you will gain an in-depth knowledge of the company's operations and use your analytical and interpersonal skills to influence Senior Management. Rapid progression into the financial controllership of a subsidiary company is envisaged. Ref: SK.

MANAGEMENT CONSULTANCY

London Base £18-40,000

We are currently seeking high calibre graduate accountants (ACA/ACMA/ ACCA/CIPFA) aged 25-32 for several clients. Opportunities exist in various information technology, energy, public sector, financial services and commercial/retail consultancy. These challenging roles ideally suit highly motivated individuals, with a proven record of success to date, wishing to broaden their career prospects. Ref: SK.

BUSINESS ANALYST

C. London to £24,000

An outstanding opportunity exists for a young high calibre recently Qualified Accountant to join the European HQ of this prestigious US multinational. This high profile role offers a wide range of responsibilities which will include business review, project appraisal, comparison analysis and financial planning. There are excellent opportunities to progress quickly into financial or general management roles. Ref: DR.

YOUNG FINANCIAL CONTROLLER

City £23,000 + Car

A unique opportunity exists for a young accountant to join this fast growing computer applications company as their first financial controller. You will be working directly with the board, providing financial and commercial guidance in addition to controlling the finance function. Applications are invited from candidates within practice or industry, Age 23-30. Ref: MP1.

For further information on these and other appointments please call John Bowman or Paul Goodman on 01-357 5400 (evenings 01-954 5242) or write to:



DRAYTON HOUSE, GORDON STREET, BLOCHINGBURY
LONDON WC1H 9AN TELEPHONE: 01-387 5400

THE RECRUITMENT AND PERSONNEL SERVICES SURVEY

The Financial Times proposes to publish this survey on:

22nd June 1988

For a full editorial synopsis and advertisement details, please contact:

Paul Maraviglia or Patrick Williams

OR
01-248 8000 ext 4676 or 3694

or write to him at:

Bracken House, 10 Cannon Street
London EC4P 4BY

FINANCIAL TIMES

COMMODITIES AND AGRICULTURE

Report attacks handling of UK fishing support

By David Blackwell

THE Ministry of Agriculture has been attacked for its handling of financial support measures for the UK fishing industry.

EC refunds, was more than £15m. It was clear the scheme had been exploited by some owners.

ministry considers the possibility of licences reverting to the state for reallocation or as a means of controlling capacity, with compensation where necessary, rather than their being sold for windfall profit.

Brazil turns to money-spinning silkworms

By John Barham in Sao Paulo

BANKRUPT Brazilian farmers are dreaming of the day when they will spin more silk than China.

Minimal work

Mr Pedro Roque, a local official, said silkworm production is "really easy - it's a crop that offers a rapid return and good prices.

He said ten hectares of mulberry bushes will feed 100 silkworms, which in turn produce over a tonne of raw silk every three weeks, yielding a \$500 net profit.

Mulberry bushes

Kobe teaches farmers how to grow mulberry bushes and how to care for the silkworms.

Output has grown rapidly in recent years, although reliable figures are not available.

US forecasts bigger Soviet harvest

By Nancy Dunne in Washington

WITH MOISTURE conditions favourable, the 1988 Soviet grain crop could reach 215m tonnes.

The improved grain outlook is expected to reduce imports to about 26m tonnes, down from 32.5m last year.

Total grain area planted was up slightly this year to 118m hectares, and the Soviets were able to increase the land on which fertilizer was applied.

World oilseed production is expected to soar to a record 280m tonnes, up two per cent from last year.

Brazilian wheat demand surprises growers

By John Barham in Sao Paulo

BRAZILIAN WHEAT growers have been surprised at the strength of their domestic market in the face of swinging price increases.

It was once thought that Brazilian wheat farmers could only survive with subsidies, because locally grown wheat is so expensive.

The wheat farmers have fought vigorously for high government support prices by invoking national food security.

with Argentina in September last year. The 1988 Brazil wheat import 1.4m tonnes of Argentine wheat.

Singapore seeks partners for high-tech farming revolution

By Richard Dove

SINGAPORE'S AIM to become a regional centre for high-technology agriculture has been further boosted by the launch of a promotional campaign through the overseas offices of the Government's Economic Development Board.

The department is eager to attract companies involved in intensive cultivation of crops and plants, high-quality seed production, fish-breeding, pig- and cattle-embryo transfer, vaccine production, automated feeding systems, artificial insemination and animal waste treatment.

Consistency services including plant diagnostic and fish-disease centres to service the region are also envisaged.

The parks, covering a total 2,000 hectares, are to be completed by 1995. Construction of the first two is well advanced.

The contract to 2,000 hectares is to be undertaken in stages and completed in 1995.

In spite of the 80 per cent contraction in farmland it is envisaged that adoption of intensive modern farming systems will raise vegetable output from a current level of 10 per cent to 30 per cent.

Dr Ngiam Tong Tau, the department's director, says plots range from 2 hectares to 8 hectares and are being allocated to local farmers by means of a land tender system.

Compensation is being provided to farmers whose tenders for land in the parks are unsuccessful.

Fiscal incentives, research project loans and support for feasibility studies are on offer to qualifying companies, to encourage foreign investment.

WORLD COMMODITIES PRICES

LONDON MARKETS

COCOA Prices fell sharply yesterday after a decline was triggered by currency factors. The market closed on session prices, three-month cocoa hedging £18 a tonne to £19.2 after liquidation of long positions, chart inspired selling and traders selling short. Settlement was also affected by reports of some West African official selling - notably by Nigeria and Cameroon.

Table with columns: Commodity, Close, Previous, High/Low. Includes COCOA, COFFEE, RUBBER, and various oils.

LONDON METAL EXCHANGE

Table with columns: Commodity, Close, Previous, High/Low. Includes Aluminium, Copper, Lead, Zinc, Tin, Nickel, and Silver.

LONDON BULLION MARKET

Table with columns: Commodity, Price. Includes Gold, Silver, Platinum, and Palladium.

US MARKETS

In reaction to Tuesday's strength and reflecting fears of possible rises in U.S. interest rates, the precious metals market closed on session prices, three-month gold hedging \$340 a ounce to \$341.50.

CRUDE OIL (L/ton) 42,000 US galls/short

Table with columns: Commodity, Close, Previous, High/Low. Includes Crude Oil, Heating Oil, and Gas Oil.

Chicago

Table with columns: Commodity, Close, Previous, High/Low. Includes Soybeans, Corn, Wheat, and Lard.

SPOT MARKETS

Table with columns: Commodity, Price. Includes Crude oil, Gas oil, Premium Gasoline, and various metals.

SOYBEAN MEAL \$/tonne

Table with columns: Commodity, Close, Previous, High/Low. Includes Soybean Meal, Soybean Oil, and various oils.

WHEAT

Merino wool prices appear to have stabilised after their recent sharp rise to new peaks. Only fractional losses have been recorded since then, and their importance is also limited by offerings at this stage of the season, which tend to be inferior.

WORLD COMMODITIES PRICES

Table with columns: Commodity, Price. Includes Gold, Silver, Platinum, and various metals.

NEW YORK

Table with columns: Commodity, Price. Includes Gold, Silver, Platinum, and various metals.

CRUDE OIL (L/ton) 42,000 US galls/short

Table with columns: Commodity, Close, Previous, High/Low. Includes Crude Oil, Heating Oil, and Gas Oil.

Chicago

Table with columns: Commodity, Close, Previous, High/Low. Includes Soybeans, Corn, Wheat, and Lard.

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Prime rate rise boosts dollar

THE DOLLAR was boosted by a rise of 1/4 p.c. to 9 p.c. in Chase Manhattan Bank's prime lending rate yesterday.

The pound rose to its highest level against the D-Mark since July 1986, climbing to DM3.1650 from DM3.1675.

A meeting of European Finance Ministers in West Germany, at the weekend, could result in a change to exchange rates among EMS currencies.

FINANCIAL FUTURES

Gilts recover from poor start

GILT PRICES fell quite sharply at the start of life trading yesterday, following comments by the UK Chancellor that there could be a co-ordinated rise in world interest rates.

The initial weaker trend in gilts was described by one dealer as being "entirely perverse".

buoyancy within the UK economy, and so boost the value of gilts.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

MONEY MARKETS

London rates firmer

INTEREST RATES finished below the day's highs but were still up from Tuesday's close.

The Bank offered an early round of assistance which resulted in purchases of £87m of bills overnight.

The interest was revised to a shortage of around £1bn, before taking into account the early help.

FT LONDON INTERBANK FIXING

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

MONEY RATES

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

LONDON MONEY RATES

Table with columns: Currency, Bid, Offer, % change, % change against base rate, Divergence from base rate.

WAVE ANALYSIS: A monthly report projecting stock indices, currencies, interest rates, commodities and shipping incorporating both technical and fundamental analysis.

Company Notices: ERICOLEY METAL TRADING LIMITED, LEVIN INTERNATIONAL INVESTMENTS N.V., LONDON AMERICAN ENERGY N.V.

Public Notices: NOTICE OF MEETING OF MARINE AND GENERAL, NOTICE IS HEREBY GIVEN TO THE MEMBERS OF THE 1986 Annual General Meeting.

Art Galleries: RICHARD GREEN, ALPINE GALLERY, WALPOLE GALLERY.

Clubs: Eye has outlived the others because of a policy on fair play and value for money.

I.G. INDEX LTD, 9-11 GROSVENOR GARDENS, LONDON SW1W 0BD. Tel: 01-828 7233/5699.

The Ogilvy Group: A Strong First Quarter. The Ogilvy Group, Inc. (NASDAQ/LSE - OGIL), the worldwide advertising and marketing services group, reports that earnings for the first quarter ended March 31, 1988 increased 143.7 percent to \$3,509,000.

Because of technical problems at source the European Traded Options table was not available for this edition.

BASE LENDING RATES

Table of base lending rates for various banks including ABN Bank, AIB & Company, AIB - Allied Irish Bank, etc.

AUTHORISED UNIT TRUSTS

Table listing authorized unit trusts such as Abbey Unit Trst, AIB Unit Trst, etc.

Main table of Unit Trust Information Service listing various unit trusts, their managers, and performance data.

Advertisement for Finstat, a financial data service, featuring a computer keyboard image and text: 'When prices matter - Finstat delivers the FT prices online...'.

Advertisement for Full Colour Residential Property Advertising, stating 'APPEARS EVERY SATURDAY Rate £40 per Single Column Centimetre'.

Advertisement for JOTTER PAD, a note-taking device.

FT CROSSWORD No.6,628 SET BY DINMUTZ, featuring a crossword puzzle grid.

ACROSS and DOWN crossword clues, including '1 French composer died swallowing cheese (6)', '2 Like Figaro's work is a ordeal, taking on so inside (9)', etc.

FT UNIT TRUST INFORMATION SERVICE

Main table containing financial data for various unit trusts, including columns for company names, fund names, and numerical values. The table is organized into several vertical sections.

INSURANCES

Table listing insurance companies and their associated unit trusts, including details like company names and fund identifiers.

FT UNIT TRUST INFORMATION SERVICE

LONDON SHARE SERVICE

Main table containing FT Unit Trust Information Service data, listing various unit trusts with columns for name, manager, and performance metrics.

BRITISH FUNDS

Table of British Funds, categorized by duration (Short, Five to Fifteen Years, Over Fifteen Years) and type (Index-Linked, Corporate Loans, Commonwealth & African Loans, Loans).

BRITISH FUNDS - Contd

Continuation of British Funds table, listing additional fund names and their details.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails, listing international investment options with columns for stock, price, and interest.

AMERICANS

Table of American Stocks, listing US-based companies and their current market prices.

UNIT TRUST INFORMATION SERVICE - Contd

Continuation of Unit Trust Information Service table, listing more unit trust options.

BRITISH FUNDS - Contd

Continuation of British Funds table, listing more fund details.

FOREIGN BONDS & RAILS - Contd

Continuation of Foreign Bonds & Rails table, listing more international investment options.

Money Market Trust Funds

Table of Money Market Trust Funds, listing short-term investment vehicles.

Money Market Bank Accounts

Table of Money Market Bank Accounts, listing high-interest banking options.

AMERICANS - Contd

Table listing American companies with columns for stock price, high, low, and volume.

CANADIANS

Table listing Canadian companies with columns for stock price, high, low, and volume.

BANKS, HP & LEASING

Table listing banks and hire purchase/leasing companies with columns for stock price, high, low, and volume.

BEERS, WINES & SPIRITS

Table listing beer, wine, and spirit companies with columns for stock price, high, low, and volume.

BUILDING, TIMBER, ROADS

Table listing building, timber, and road companies with columns for stock price, high, low, and volume.

BUILDING, TIMBER, ROADS - Contd

Continuation of Building, Timber, Roads companies with columns for stock price, high, low, and volume.

CHEMICALS, PLASTICS

Table listing chemical and plastic companies with columns for stock price, high, low, and volume.

DRAPERY AND STORES

Table listing drapery and store companies with columns for stock price, high, low, and volume.

DRAPERY AND STORES - Contd

Continuation of Drapery and Stores companies with columns for stock price, high, low, and volume.

ELECTRICALS

Table listing electrical companies with columns for stock price, high, low, and volume.

FOOD, GROCERIES, ETC

Table listing food and grocery companies with columns for stock price, high, low, and volume.

HOTELS AND CATERERS

Table listing hotel and catering companies with columns for stock price, high, low, and volume.

INDUSTRIALS (Misc.)

Table listing miscellaneous industrial companies with columns for stock price, high, low, and volume.

ENGINEERING

Table listing engineering companies with columns for stock price, high, low, and volume.

ENGINEERING - Contd

Continuation of Engineering companies with columns for stock price, high, low, and volume.

INDUSTRIALS (Misc.) - Contd

Continuation of Miscellaneous Industrial companies with columns for stock price, high, low, and volume.

INDUSTRIALS (Misc.)

Table listing miscellaneous industrial companies with columns for stock price, high, low, and volume.

INSURANCES

Table listing insurance companies with columns for stock price, high, low, and volume.

LONDON SHARE SERVICE

INSURANCES - Contd

Table listing insurance companies and their share prices, including Royal Indemnity, Commercial Union Assurance, and others.

LEISURE

Table listing leisure-related companies such as British Skyways, British Airways, and others.

PAPER, PRINTING, ADVERTISING - Contd

Table listing companies in the paper, printing, and advertising sectors, including News International and others.

PROPERTY

Table listing property-related companies and their share prices.

TEXTILES - Contd

Table listing textile companies and their share prices.

TOBACCOS

Table listing tobacco companies and their share prices.

TRUSTS, FINANCE, LAND

Table listing trusts, finance, and land-related companies.

TRUSTS, FINANCE, LAND - Contd

Table listing trusts, finance, and land-related companies (continued).

OIL AND GAS - Contd

Table listing oil and gas companies and their share prices.

OVERSEAS TRADERS

Table listing overseas trading companies.

PLANTATIONS

Table listing plantation companies.

MINES

Table listing mining companies and their share prices.

Central Rand

Table listing Central Rand mining companies.

Eastern Rand

Table listing Eastern Rand mining companies.

Far West Rand

Table listing Far West Rand mining companies.

O.F.S.

Table listing O.F.S. mining companies.

Diamond and Platinum

Table listing diamond and platinum mining companies.

Central African

Table listing Central African mining companies.

Finance

Table listing finance-related companies.

OIL AND GAS

Table listing oil and gas companies and their share prices.

MINES - Contd

Table listing mining companies and their share prices (continued).

Tins

Table listing tin mining companies.

Miscellaneous

Table listing miscellaneous mining companies.

THIRD MARKET

Table listing third market trading data.

NOTES

Stock exchange dealing classifications are indicated to the right of the security names. Alpha, Beta, Gamma, Delta, Epsilon, and F are used to indicate the reliability of the information.

REGIONAL & IRISH STOCKS

Table listing regional and Irish stocks.

TRADITIONAL OPTIONS

Table listing traditional options and their prices.

MOTORS, AIRCRAFT TRADES

Table listing motor and aircraft trade companies.

NEWSPAPERS, PUBLISHERS

Table listing newspaper and publishing companies.

PAPER, PRINTING, ADVERTISING

Table listing paper, printing, and advertising companies.

SHIPPING

Table listing shipping companies.

SHOES AND LEATHER

Table listing shoes and leather companies.

SOUTH AFRICANS

Table listing South African companies.

TEXTILES

Table listing textile companies.

LONDON STOCK EXCHANGE

Chancellor's comments undermine equity market and index tumbles 35.8 to 1756.8

Account Dealing Dates table with columns for First Decision, Last Decision, and Account Dealing dates.

SHARE PRICES tumbled yesterday as the nervousness lurking in the UK equity market since the October crash...

US market, currently in the middle of a \$26bn Treasury refunding programme, weakened even more dramatically.

Mr. Bob Semple, market strategist at County NatWest Wood-Mac, said yesterday: "Our caution is at least being vindicated as world equity markets finally latch on to the worries which have been troubling bond markets."

However, given that both institutional and company coffers are brim full of cash, any weakness of the FT-SE index to 1700 or below will present an excellent buying opportunity for investors prepared to take the longer term view.

The UK Treasury pointed out that the Chancellor was referring to a hypothetical interest rate situation and was not making a prediction.

UK bond traders were unperturbed by the prospect of dearer money worldwide. An attempt was made to get prices down but the manoeuvre backfired and professional operators soon squared their commitments.

Tokyo share and bond markets led the rout, but the knock-on effect was not immediate in London.

The strong performance of the shares, against the overall dismal discount of around 18 per cent relative to the market.

The tone worsened when the Chancellor's comments undermined equity market and index tumbles 35.8 to 1756.8.

Shell's first quarter figures came out at the top end of the range - "impressive" in the description given to them by one dealer - but the shares succumbed to the overall decline in markets and settled 20 off at 465p.

FINANCIAL TIMES STOCK INDICES table showing various indices like Government Secs, Fixed Interest, Ordinary, Gold Min., etc. with columns for May 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 1988, and Since Completion.

LONDON REPORT AND LATEST SHARE INDEX: TEL. 0898 123001

while other leading brewers also suffered sharp mark-downs. Allied Lyons closed at 399p, Guinness at 299p and Whitbread at 302p.

at 308p; dealers reported persistent hints of profit-taking and top-slicing in the shares before a late run induced by a flurry of buying of traded options.

Building shares, regarded as one of the more sensitive areas to interest rate movements, came under selling pressure.

Other food manufacturers gave ground although Freshbake came through its recent progress undimmed.

Composites were broadly lower. Royals, scheduled to report first quarter figures today, were 12 cheaper at 422p.

Among the other stocks regarded as vulnerable to currency influences, Bankers 3 slipped 21 to 483p.

Grand Metropolitan could have chosen a better day to announce excellent interim figures.

Among the other stocks regarded as vulnerable to currency influences, Bankers 3 slipped 21 to 483p.

FT - ACTUARIES INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS table with columns for Index No., Day's Change, Est. Earnings, Gross Yield, Est. P/E Ratio, etc.

FIXED INTEREST

Table showing Average Gross Redemption Yields for various fixed interest instruments like British Government, 15 years, 5 years, etc.

LONDON TRADED OPTIONS

Table showing Calls and Puts for various stocks like Allied-Lyons, British Airways, B.P., etc. with columns for Call/Put, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec.

today's interim figures. English China Clays reacted 13 to 429p with some 2.5m shares changing hands.

Senior, one of the more sensitive stocks to currency uncertainty, came under selling pressure and fell away sharply to finish 18 down on the day at 380p.

Leading properties suffered with Land Securities losing 13 to 645p and M&P 10 to 81p.

Among the other stocks regarded as vulnerable to currency influences, Bankers 3 slipped 21 to 483p.

Business in traded options picked up substantially with calls numbering 22,623 and puts of 17,664 giving an overall total of 40,287 contracts.

Traditional Options: First dealings May 3, Last dealings May 23, Last declarations July 28, For Settlement Aug 8.

For rate indications see end of London Share Service. Interest tended to fade in the traditional option market yesterday.

Stocks favoured for the call included British Petroleum, Poly-pal, Cadbury, Group, P&O, NTL, Computers, Datac, Eastern, Black Leisure, Royal, Rex Williams and Time Products.

While double options were arranged in British Petroleum partly-paid, Storehouse and Northern Foods.

TRADING VOLUME IN MAJOR STOCKS

The following is based on trading volume for Alpha securities dealt through the SEAQ system yesterday until 5 pm.

Table showing trading volume for various stocks like AGFA Group, Allied-Lyons, Anglo, etc. with columns for Stock, Volume, and Value.

RISES AND FALLS YESTERDAY

Table showing rises and falls for various categories like British Funds, Corporations, etc.

LONDON RECENT ISSUES

Table showing recent issues of various stocks with columns for Issue No., Issue Date, Issue Price, etc.

FIXED INTEREST STOCKS

Table showing fixed interest stocks with columns for Issue No., Issue Date, Issue Price, etc.

"RIGHTS" OFFERS

Table showing rights offers for various stocks with columns for Issue No., Issue Date, Issue Price, etc.

WORLD STOCK MARKETS

Table with columns for various stock indices and prices, including sections for USA, FRANCE, GERMANY, NETHERLANDS, SWEDEN, and CANADA.

Table with columns for various stock indices and prices, including sections for JAPAN, AUSTRALIA, and other regional markets.

CANADA

Table listing Canadian stock prices, including sections for Toronto and Montreal closing prices.

OVER-THE-COUNTER

Table listing over-the-counter market prices for various stocks, including sections for continued from page 37 and Nasdaq national market.

INDICES

Table showing various stock indices such as Dow Jones, Nikkei, and others, with columns for date, high, low, and change.

Table showing Chief London Price Changes Yesterday, listing price movements for various commodities and currencies.

Table showing Tokyo Most Active Stocks, listing the top performing stocks in the Japanese market.

Table showing New York Active Stocks, listing the top performing stocks in the New York market.

Advertisement for Financial Times, including a '12 FREE issues' offer and a 'Travelling on Business?' promotion.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Main table containing stock prices for various companies, organized in columns with headers for stock name, price, and change.

Continued on Page 37

Handwritten text at the top center of the page.

NYSE COMPOSITE CLOSING PRICES

Table of NYSE Composite Closing Prices, including columns for stock symbols, prices, and changes. Includes sub-section 'Continued from Page 36'.

Table of NYSE Composite Closing Prices, continuing from the previous table with various stock symbols and their corresponding market data.

AMEX COMPOSITE CLOSING PRICES

Table of AMEX Composite Closing Prices, listing various stocks and their closing values.

Table of AMEX Composite Closing Prices, continuing with more stock listings and their market performance.

OVER-THE-COUNTER Nasdaq national market, closing prices

Table of Over-the-Counter (Nasdaq) closing prices, listing numerous stocks and their prices.

Table of Over-the-Counter (Nasdaq) closing prices, continuing with more stock listings.

Advertisement for 'Have your F.T. hand delivered' by Athens, featuring contact information for Bill Vogiatzis and the Financial Times.

Advertisement for 'Have your F.T. hand delivered' by Athens, featuring contact information for Bill Vogiatzis and the Financial Times.

AMERICA

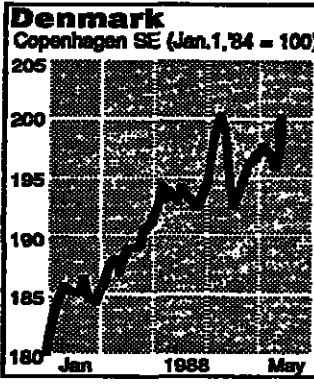
Lawson's remarks trigger sharp setback for Dow

Wall Street

US EQUITIES plunged in a wave of selling which hit all leading world stock markets on concerns about rising global interest rates...

The US Federal Reserve had nudged up short-term interest rates and said the action was justified given the robust performance of the economy...

to a discount of as much as one point to the cash index. International Business Machines, which yesterday unveiled its Wheelwriter Series II typewriters...



Shift to the right boosts Denmark

By Hilary Barnes in Copenhagen. BOTH share and bond prices in Copenhagen were lifted in heavy trading yesterday...

Canada

INVESTORS' anxiety about rising interest rates hit Toronto share prices, which posted a sharp decline in heavy trading. The composite index fell 68.82 to 3,228.68...

ASIA

Tumbling bonds market sparks sharp Nikkei fall

Tokyo

FEARS of higher interest rates in Japan and elsewhere on the market yesterday, sparking a sharp fall in the Tokyo stock market and driving shares sharply lower...

higher at ¥868 after rising ¥33 briefly. High-technology stocks and other leading shares came under selling pressure, with Toshiba closing ¥15 lower at ¥856...

cents at HK\$10.70 and Cheung Kong 10 cents lower at HK\$7.26. Hongkong Land lost 15 cents to HK\$7.50...

Singapore

A BRIGHT start followed Wall Street's overnight advance, but light selling set in as Tokyo turned down on worries that global interest rates were set to rise...

Hotel stock Marco Polo, object of a takeover bid from Hong Kong's Sir Y K Pao, was steady at \$81.17 in fairly active trading.

Australia

THE sharp fall in Tokyo and comments from Mr Lawson on co-ordinated interest rate hikes hit sentiment and share prices, with the Hang Seng index falling 28.66 to 2,534.36...

Trading remained sluggish with little significant news to spark interest, but shares ended seven consecutive declines with small gains on Wall Street's overnight strength and a firmer bullion price.

SOUTH AFRICA

A FURTHER rise in the bullion price helped Johannesburg gold stocks extend the previous day's gains, but increases were only small. Trading was quiet in anticipation of today's Ascension holiday...

EUROPE

Interest rate jitters dominate trade

FEARS of higher interest rates gave many European markets the jitters yesterday, and positioning before today's Ascension Day holiday fuelled the downturn in generally low turnover...

London

CHANCELLOR of the Exchequer Nigel Lawson's comments on international interest rates prompted a sharp fall in London yesterday. A drop in Tokyo and early losses on Wall Street contributed to the negative mood.

domestic and foreign selling. Wall Street's opening losses accelerated the fall. The ANP-CBS general index, calculated at mid-session, dropped 4.3 to 287. Royal Dutch ended lower, but performed better than most stocks after announcing higher than expected first quarter results...

PARIS managed to hold up better than Frankfurt, but trading volumes were extremely low and the main activity was again in speculative stocks. The indices for the two cities fell 0.5 to 118.6. Selling centred on blue chips and recently renounced takeover targets...

STOCKHOLM saw quiet trading in a short session before today's Ascension Day holiday and the Affärsvärlden general index lost 3.1 to 613.7. Volume fell to SEK197m worth of shares from SEK300m on Tuesday. Alfa Laval, which reported a 43 per cent rise in first quarter earnings, saw its B shares ease SEK3 to SEK376.

Hilary de Boer looks at the sorry state of turnover in leading European bourses

April proves a cruel month for volumes

TURNOVER fell sharply on most European bourses last month as investors became increasingly concerned about the direction of Wall Street and the dollar, and takeover activity and corporate news dried up somewhat.

Table with columns: European Equities Turnover, Monthly total in local currencies (bn), Apr 88, Mar 88, Feb 88, Jan 88, '87 monthly av.

was seeking control. Activity was also held back by Frelill's suspension pending news of its restructuring and by the later negative reception that received. And there were worries about the country's budget deficit and possible tax moves to tackle it.

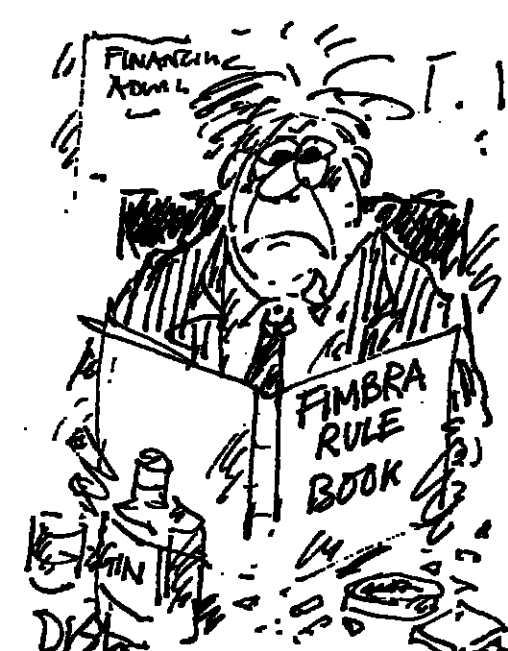
Paris was able to buck the trend because of renewed takeover activity and rumours, involving companies such as Midi and Pernod. Broker recommendations to be overweight in the lagging market also helped renew foreign interest. But April's turnover was still well below last year's monthly average of FF85.5bn.

FT - ACTUARIES WORLD INDICES

Jointly compiled by the Financial Times, Goldman, Sachs & Co., and Wood Mackenzie & Co. Ltd., in conjunction with the Institute of Actuaries and the Faculty of Actuaries

Table with columns: NATIONAL AND REGIONAL MARKETS, US Dollar Index, Day's Change %, Pound Sterling Index, Local Currency Index, Gross Div. Yield, US Dollar Index, Pound Sterling Index, Local Currency Index, 1988 High, 1988 Low, Year ago (approx).

Once you have read the rules you may need a little help



There are several weeklies that claim to serve brokers and financial advisers. Two of them are clad in pink. But only one is from the Financial Times. It's called Financial Adviser. It covers the news that counts. The regulatory maze. The enormous range of products now available to investors - pensions, life assurance, unit trusts, investment trusts, and equity plans...

Registration form for Financial Adviser with fields for Name, Position, Company, Address, Signature, Date.

FINANCIAL ADVISER

Handwritten signature or mark at the bottom of the page.